

FOREWORD

This publication, prepared by the Senate Majority Office, provides an overview of the accomplishments of the Twenty-second Legislature of the State of Hawaii during the recently completed Regular Session of 2003.

This edition consists of four sections:

- (1) The "Table of Contents" is a list of the measures as they appear in the publication. Arranged by Committee with measures categorized by broad topics and descriptive headings, it provides a convenient topical finding aid.
- (2) The "Digest" section is a summary review of the bills passed and concurrent resolutions adopted by both houses of the Legislature and resolutions adopted by the Senate. The measures are categorized by the Senate Standing Committee of first referral. Where applicable, Act numbers and Vetoes by the Governor as of May 22, 2002, have been inserted.
- (3) The "Budget Summary", prepared by the Ways and Means Committee staff, provides a narrative overview as well as appropriation highlights of the Executive Budget.
- (4) The "List of Measures Passed" section is a listing of all measures on which official final action was taken by the Legislature. The listing includes all bills and concurrent resolutions passed by both houses as well as resolutions adopted by the Senate, and includes the draft numbers as well as a short descriptive title for each measure. The measures are listed by Committee of first referral, and is a useful finding aid since the measures are listed in numerical order.

The Legislative Accomplishments is intended primarily as a desk reference for quick access to summary information concerning bills and concurrent resolutions approved by the Legislature and Senate resolutions adopted by the Senate. Users are urged to refer to the actual measures and accompanying committee reports for details.

The Senate Majority Office
May, 2003

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COMMERCE, CONSUMER PROTECTION AND HOUSING

Committee on Commerce, Consumer Protection and Housing. The purview of this committee includes those programs relating to business regulation, occupational licensing, consumer protection, financial institutions, insurance regulation; public utility regulation; and telecommunications regulation; housing development, the landlord tenant code, condominium property regimes, and leaseholds.

Bills Passed

I. Commerce

Business Registration; Clarification; Modernization. (HB1165, HD2, SD1, CD1) Updates and clarifies business laws to reflect contemporary practices and reform filing requirements consistent with operation of the Department of Commerce and Consumer Affairs' electronic filing system. Among other things: (1) prohibits the issuance of stocks by nonprofit corporations; (2) authorizes name changes for limited liability companies; (3) corrects terminology in the nonprofit corporations law; (4) simplifies signatory requirements for articles of incorporation filings; (5) conforms registered agent and registered office requirements for different types of business entities; (6) adopts a trademark filing fee schedule and makes other amendments consistent with the new trademark law; (7) establishes greater consistency and uniformity in the merger laws; (8) clarifies the term "department" within the context of the nonprofit corporations law; and (9) establishes additional grounds for revocation of a trademark or service mark, clarifies the grounds for cancellation of a mark, and simplifies the application process for the registration of a mark.

Nonprofit Corporations; Termination of Membership; Advanced Authorization for Director Indemnification and Advancement of Director Expenses. (HB1594, HD1, SD1) Requires compliance with the Hawaii Nonprofit Corporations Act for an amendment to the articles of incorporation or bylaws of a nonprofit corporation that terminates all members or any class of members, or redeems or cancels all memberships or any class of membership, and further requires: (1) that prior to the adoption of a resolution proposing the amendment, notice be provided to corporation members by the board of directors of the general nature of the amendment; (2) that after the adoption of a resolution proposing the amendment, that notice be provided to members proposing the amendment along with one or more statements opposing the amendment if submitted by any five members, or by members having three percent or more of the voting power, whichever is less, at least 20 days after the board has voted to submit the amendment to members for approval; and (3) approval by two-thirds of the votes cast by each class present at the meeting at which voting occurs, whether cast in person or by proxy. Provides that procedures governing the termination, expulsion, and suspension of membership established in section 414D-89, HRS, are not applicable to an amendment that meets the above requirements. Authorizes a nonprofit corporation to obligate itself in advance to indemnify the members of its board of directors or to advance funds thereto, pursuant to its articles of incorporation or bylaws, the adoption of a resolution, or a contract approved by the board or members. Provides that any such authorization meets the requirements of the Hawaii Nonprofit Corporations Act for authorization to indemnify or advance expenses for directors.

Planned Community Associations; Election of Directors by Mail Ballot. (SB1630, HD1, CD1) Authorizes the bylaws or board of directors of a planned community association with at least 2,500 voting eligible

members, to allow the election of directors or officers by mail ballot. Clarifies that for all other nonprofit corporations, voting by mail may be conducted only if authorized in the corporation's bylaws or articles of incorporation.

Securities Dealer Registration; Exemption. (HB1172; Act 17) Excludes banks, savings institutions, and trust companies from the definition of "dealer" under the Uniform Securities Act (Modified).

Uniform Limited Partnership Act; Revised. (SB1319, SD1, HD3, CD1) Repeals the laws governing limited partnerships codified in chapter 425D, HRS. Adopts a modified version of the 2001 Revised Uniform Limited Partnership Act that is more consistent with the laws of the other states. Conforms related statutory provisions. Takes effect on 7/1/04.

II. Consumer Protection

GENERALLY

Antitrust; Damages; Housekeeping. (SB1270, SD1; Act 13) Reinserts the term "threefold" into section 480-14(c), HRS, to correct an omission by Act 229, Session Laws of Hawaii 2002, and deletes the term "compensatory", in describing the damages allowable in an antitrust class action that the Attorney General can bring on behalf of indirect purchasers.

Check Cashing Service; Deposit Deferral Period; Maximum Transaction Amount. (HB595, HD1, SD1, CD1) Extends from 31 to 32 the number of days a check cashing service may defer the deposit of a personal check received from a customer. Increases from \$300 to \$600 the maximum allowable face amount of a check accepted for deferred deposit.

Collision Damage Waivers; Commissions. (HB139, HD1, SD1) Amends definition of "commission for selling collision damage waivers" under the motor vehicle rental industry law to prohibit payment to a car rental employee of compensation, bonus, award, or remuneration that corresponds directly to the amount of sales of collision damage waivers (CDWs), but to allow payment of compensation, bonus, award, or remuneration that corresponds to the overall gross receipts of a sales location, where sales of CDWs are one of many factors contributing to overall gross receipts. Defines "sales location" as any location at which the employee worked or had oversight responsibility during the applicable compensation period.

International Matchmaking Organizations; Duty to Provide Criminal Conviction and Marital History Information. (HB135, HD1, SD1, CD1) Establishes a new chapter in the HRS governing the duties of international matchmaking organizations with respect to the criminal and marital histories of their clients who are Hawaii residents. Defines "Hawaii resident", "international matchmaking organization", "marital history information", and "recruit". Requires international matchmaking organizations doing business in Hawaii to: (1) notify all foreign matchmaking recruits that criminal history record information and marital history information is available upon request; (2) provide the notice in the recruit's native language conspicuously and separate from other information and in lettering not less than one-quarter of an inch high; and (3) upon request, disseminate to a recruit in the recruit's native language all criminal conviction and marital history information about a Hawaii resident in the organization's possession. Upon receipt of the recruit's request for information, prohibits the organization from providing any further matchmaking services to the recruit and the Hawaii resident until the latter has submitted to the organization: (1) either a complete criminal history record

transcript or a statement confirming the lack of a conviction record, obtained directly from the Hawaii Criminal Justice Data Center and based upon the recruit's fingerprint impressions; and (2) the Hawaii resident's marital history information, including information regarding marriages, annulments, and dissolutions in other states or countries, and affirmed by the resident to be complete and accurate.

Deems an international matchmaking organization to be doing business in Hawaii if it contracts for matchmaking services with a Hawaii resident or is considered to be doing business in the State under any other law of the State. Provides that a violation of the above laws constitutes an unfair or deceptive act or practice in the conduct of any trade or commerce, and that a wilful violation is punishable by a fine of up to \$500 and imprisonment of up to 30 days. Provides that the above penalties are in addition to penalties that may be imposed under the common law or other federal or state laws or rules. Takes effect on 1/1/04.

Intoxicating Liquor; Shipments of Wine for Personal Consumption. (HB1465, HD2, SD2, CD1) Increases from two cases to three cases the amount of wine that may be shipped to a Hawaii consumer for personal use by a wine manufacturer licensed in a state that extends reciprocal shipping privileges to Hawaii wine manufacturers. Exempts consumers receiving such shipments from the requirement of obtaining a permit to receive liquor shipments.

Towing Operations; County Regulation; Storage Fees. (SB295, SD1, HD1, CD1) Authorizes the counties to enact ordinances regulating towing operations, including those governing rates, equipment standards, hours of operation, vehicle storage and safeguarding, records retention and inspection, insurance requirements, tow vehicle operator requirements, and tax clearances, provided that the ordinances are not inconsistent with laws governing solid waste salvage facilities. Increases maximum allowable charges for vehicle storage from \$15 to \$20 for the first seven days, and from \$10 to \$15 for each day thereafter.

OCCUPATIONAL LICENSING

Certified Public Accountant License Examination. (HB1160, HD1, SD1) Repeals the requirements that the public accountancy licensing examination be in written form, held twice yearly, and administered at a time fixed by the State Board of Public Accountancy.

Occupational Therapists; Regulation; Occupational Therapy Support Personnel; Temporary Permit Repeal. (HB730, SD1) Makes the regulation of occupational therapists permanent by repealing the 12/31/03 termination date for the Occupational Therapy Practice Act (Act). Provides that the Act does not prohibit occupational therapy support personnel from working under the supervision of or in consultation with registered occupational therapists. Defines the term "occupational therapy support personnel". Repeals redundant language relating to qualifications for occupational therapy assistants. Deletes the definition of "direct supervision". Repeals the authorization for the issuance of temporary practice permit.

Practice of Pharmacy; Authorization to Dispense Emergency Contraceptives under Collaborative Agreement. (HB123, HD1, SD1) Defines "emergency contraception" as a United States Food and Drug Administration-approved drug used postcoitally to prevent pregnancy by delaying ovulation, preventing fertilization of an egg, or preventing implantation of an egg in the uterus. Amends definition of "licensed medical doctor" to delete an obsolete reference to the board of osteopathic examiners. Expands definition of "practice of pharmacy" to include the initiation of emergency

contraception oral drug therapy in accordance with a written collaborative agreement approved by the Board of Pharmacy (board), and between a licensed physician and pharmacist who has received appropriate training that includes training under programs approved by the American Council of Pharmaceutical Education (ACPE), curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or board-recognized programs. Replaces references to "medical doctor" with references to "physician" in above definitions. Clarifies definition of "contraceptive services" in health insurance laws to include pharmacist-delivered medical services.

Professional and Vocational Licenses; Sanctions for Student Loan Default; Certification of Default Based on Court Judgment; Financial Hardship. (HB736, HD1, SD2, CD1) Requires generally that a certification of student loan default that supports sanctions against a professional or vocational license or the denial of an application therefor, be based upon a district court or circuit court judgment that: (1) specifies the amount of the default; (2) finds that the licensee's or license applicant's education was financed by the loan or instrument in default; (3) finds that the licensee or license applicant has the ability to cure the default without undue financial hardship, unless the person declines to petition the court for a finding of financial hardship; and (4) includes proof of service of notice to the licensee or license applicant that the judgment will be reported to the licensing authority and will direct license suspension or denial, renewal denial, or reinstatement denial. Incorporates the above requirements into statutory provisions governing the administration of commercial marine licenses, teacher licenses, certain department of health licenses, insurance licenses, professional and vocational licenses generally, nurse licenses, public accountant licenses, and attorney licenses. Allows a court to make a finding of financial hardship based upon: (1) notice given to the administering entity prior to the initiation of civil proceedings to establish the default of the debtor's financial hardship in the form of a completed statement of financial status and a request for deferment, forbearance, loan consolidation, extension of repayment schedule, or a graduated or income-sensitive repayment plan; (2) findings made in an examination of debtors proceeding; (3) the earning potential and borrowing capacity of the licensee or license applicant and any spouse thereof, relative to the cost of reasonable necessities; and (4) avoidance of extreme and inequitable changes in the licensee's or license applicant's income. Defines the term "licensing authority". Repeals the definition of "applicable licensing authority".

Psychologist Licensure; Requirements Amended. (HB1161, HD1, SD1) Authorizes the administration of a psychology licensing examination in a form other than written form. Authorizes licensure as a psychologist for applicants with a current Certificate of Professional Qualification in Psychology issued by the Association of State and Provincial Psychology Boards or a current National Register of Health Service Providers in Psychology credential. Repeals the requirements of possession of a doctoral degree, completion of one year of post doctoral supervised experience in health service in psychology, and passage of an open book examination in jurisprudence for a senior psychologist seeking licensure. Repeals obsolete language.

PUBLIC UTILITIES

Consumer Advocate; Mandatory Consideration of Renewable Resources Benefits. (HB1328, HD1, SD1) Requires, rather than allows, the Consumer Advocate to consider the long-term benefits of renewable resources in carrying out the Consumer Advocate's duties.

Public Utilities Commission; Management Audit. (HB475) Requires the Auditor to conduct a management audit of the Public Utilities Commission (PUC) that considers: (1) the appropriateness

and applicability of current utility legislation; (2) the adequacy of coverage of current PUC policies, rules, and procedures; (3) management of the PUC and the Division of Consumer Advocacy (CA) in terms of providing technical and analytical staff support in case management and enforcement of the PUC's rules; and (4) the effectiveness of the PUC and CA in dealing with telecommunications, energy, and other utility issues. Requires the Auditor to submit its findings and recommendations to the Legislature and Governor before the 2004 Regular Session.

Telecommunications Relay Services; Surcharge Authorized; Requirement of Expedited Rulemaking to Approve Rates for Specialized Services Repealed. (SB1306, HD1; Act 50) Repeals obsolete language and conforms language to Federal Communications Commission (FCC) terminology. Authorizes the Public Utilities Commission (PUC) to establish a surcharge to collect customer contributions for telecommunications relay services (TRS) and to adopt rules to establish a mechanism to recover the costs of administering and providing TRS. Defines "telecommunications relay services" consistent with FCC definition. Repeals requirement that PUC expedite rulemaking procedures when a public utility providing local exchange telecommunications services applies for rate approval in tariffs for specialized services for the deaf, hearing impaired, or speech impaired. Repeals PUC's authorization to approve assessment of interim surcharges on all lines to allow recovery of actual costs incurred from the commencement of specialized services to the next general rate increase.

III. Housing

Condominium Law Recodification; One-Year Extension. (HB75, HD2, SD1) Extends for an additional year the deadline for the completion of the Real Estate Commission's review and recodification of the condominium property regimes law, and requires a final report to the Legislature before the 2004 Regular Session. Expands the membership of the Recodification Advisory Committee to include representatives of the Hawaii Council of Associations of Apartment Owners, Hawaii Independent Condominium and Cooperative Owners, Community Associations Institute-Hawaii Chapter, Hawaii Association of Realtors, and Condominium Council of Maui. Requires the advisory committee to meet to review the final version of the recodification draft to be presented at public hearings, and to meet after the public hearings to review the data therefrom and make recommendations to the Real Estate Commission before the final recodification draft is submitted to the Legislature. Appropriates \$95,000 from the condominium management education fund for the extended review.

Condominiums; Liability of Purchaser in Nonjudicial Foreclosure Sale for Payment of Common Expenses; Acquisition of Title Upon Challenge to Order Confirming Sale or Upon Debtor's Bankruptcy. (SB373, SD1, HD2; Act 53) Provides that the purchaser of a condominium apartment in a nonjudicial foreclosure public sale acquires title and the responsibility to pay the apartment's share of common expenses and assessments 30 days after the public sale. Provides that a mortgagee of record or other purchaser of an apartment is not deemed to have acquired title if: (1) a transfer of title occurs more than 36 days after the order confirming the sale to the purchaser has been filed with the court; 60 days after the hearing at which the court grants the motion to confirm the sale to the purchaser; or 30 days after the public sale in a nonjudicial power of sale foreclosure; and (2) a party has requested reconsideration of the motion or order to confirm sale, objects to the form of the proposed order to confirm sale, or appeals the order granting the motion to confirm sale; or the debtor or mortgagor declares bankruptcy or is involuntarily placed into bankruptcy. In the above situations, deems title to have been acquired upon recordation of the instrument of conveyance.

Condominiums; Notice of Intent to Claim Lien for Unpaid Common Expenses; Special Assessment Authorization Extended. (SB394, HD1) Authorizes the mortgagee or subsequent purchaser from the mortgagee of an apartment unit upon which amounts have been specially assessed for unpaid common expenses, to require the association of apartment owners (AOAO) to provide for free a notice of the AOAO's intent to claim a lien against the delinquent apartment for the special assessment amount, prior to the subsequent purchaser's acquisition of title. Requires the notice to state the amount of the special assessment, the method of calculation of the amount, and the legal description of the apartment. Repeals the requirement that an AOAO file a notice of lien against the delinquent unit. Extends until 12/31/07, the authorization for an AOAO to assess the purchaser of a condominium unit for unpaid common expenses attributable to that unit.

Housing and Community Development Corporation of Hawaii; Management of Federal Funds. (HB78, HD1; Act 36) Authorizes the Housing and Community Development Corporation of Hawaii to establish and manage federal funds outside of the state treasury to be used for federal housing programs. Requires the agency to invest the funds in permitted investments in accordance with the law relating to management of state funds.

Villages of Kapolei; Construction Deadline; Traffic Improvements; Appropriation. (SB1661, SD2, HD1, CD1) Requires the Housing and Community Development Corporation of Hawaii (HCDCH) to complete construction of the Villages of Kapolei by 6/30/11. Authorizes the State Department of Transportation or the City and County of Honolulu to collaborate and coordinate with HCDCH to implement the recommendations of a private traffic study, including by: (1) updating the interim transportation master plan; (2) with the Villages' homeowner association and University of Hawaii, sponsoring additional planning and charrette activities to reduce motorized trip demands and increase walking and bicycling connectivity; (3) increasing walking, bicycling, and other non-motorized trips by planning appropriately scaled commercial office services and activities; (4) contracting for additional private analyses and holding traffic workshops for Village residents; (5) prior to dedicating roadways to the City and County of Honolulu, resolving major issues to calm traffic, handle foot and bicycle traffic, and manage motorized traffic; (6) constructing improvements to Kama'aha Loop to improve the flow of traffic in front of Kapolei Elementary School; (7) constructing a pedestrian trail and link across Kama'aha Avenue, and a single lane roundabout or raised intersection; (8) developing a piazza or neighborhood square; (9) constructing a median opening on the trail broken by a median island on Kaiu Avenue; (10) constructing traffic improvements at specified major intersections, including traffic signals and crosswalks at Kapolei Parkway and Kama'aha Avenue, and at Kapolei Parkway and Malu Ohai Street; (11) reducing unnecessary lanes; and (12) retaining on-street parking on neighborhood streets. Appropriates \$900,000 out of the dwelling unit revolving fund for the fiscal year 2003-2004 to construct improvements at the intersections of Kapolei Parkway and Kama'aha Avenue, and Kapolei Parkway and Malu Ohai Street.

IV. Insurance

CAPTIVES

Captive Insurance Administrator. (SB574, SD1, HD2, CD1) Clarifies the chain of command within the Insurance Division of the Department of Commerce and Consumer Affairs by requiring the Captive Insurance Administrator to report directly to the Insurance Commissioner.

Insurers; Financial Condition Statement; Applicability of General Insurance Laws; Housekeeping. (SB1200, SD1, HD1, CD1) Allows any two principal officers of a captive insurance company or the attorney-in-fact of a captive formed as a reciprocal insurer to act as signatory on the statement of financial condition filed with the Insurance Commissioner. Provides that general Insurance Code provisions relating to National Association of Insurance Commissioner (NAIC) filings, confidentiality of financial analysis ratios and examination synopses submitted to the Insurance Division by NAIC, and free insurance, apply to captive insurance companies, other than pure captive or branch captive insurance companies. Corrects terminology in the Insurance Code.

Insurers; Investments. (SB1058, SD1, HD1) Authorizes the Insurance Commissioner to approve a captive insurer's investments and investment provisions that are outside of the general Insurance Code investment requirements.

GENERALLY

Insurance Continuing Education; Certification of Providers and Courses; Advisory Committee. (SB1077, SD1, HD1; Act 55) Establishes requirements and procedures for certification of insurance continuing education providers by the Insurance Commissioner, including those relating to application, fees, and certificate expiration, renewal, and denial. Sets forth general provider duties and obligations. Requires approval of continuing education courses before solicitation or advertising, sets forth criteria for course approval and denial, including additional requirements for self-study course. Prohibits carrying over of credits, and defines grounds for disqualification of a course instructor. Establishes tuition requirements and policies. Requires provider to electronically submit course completion information to the Insurance Division within 45 days of course completion or scoring of competency examination, and to maintain attendance and completion records. Establishes content requirements for course advertisements. Authorizes the Insurance Commissioner to establish an advisory committee, composed of eight practicing licensees and one representative from the Insurance Division, to recommend policies procedures and rules to effect implementation of the continuing education laws, review other states' continuing education course requirements for the purpose of approving reciprocity agreements, and review proposed course materials. Amends definition of "credit hour" to mean 50 minutes of classroom instruction or 15 to 20 full pages of reading materials.

Insurance Producers; Workers' Compensation Claims Records. (HB1164, HD1, SD1, CD1) Establishes greater consistency between laws governing insurance producer licensing and related laws by conforming requirements. Increases the minimum period for the retention of workers' compensation claims records by insurers from five years to eight years.

Loss Mitigation Grant Program; Appropriation. (HB640, HD1, SD2, CD1) Appropriates \$500,000 for fiscal year 2003-2004 and \$500,000 for fiscal year 2004-2005 from the Hawaii Hurricane Relief Fund to the Loss Mitigation Grant Fund. Appropriates the same amounts out of the latter fund to the Insurance Commissioner to develop and implement the loss mitigation grant program, provided that the State applies for federal pre-disaster mitigation funds. Allows the carryover of unexpended and unencumbered funds during the 2003-2005 fiscal biennium, subject to the return to the general fund of unexpended and unencumbered funds remaining at the close of the biennium. Allows funds to be used to provide grants awarded retroactive to 1/1/03.

HEALTH

Dental Insurers; Regulatory Oversight Extended. (HB1163, SD1) Extends for an additional year the authority of the Insurance Commissioner (Commissioner) to examine, supervise, rehabilitate, and liquidate dental service corporations and dental service organizations. Provides that the Commissioner's duty to examine dental insurers is subject to the Commissioner's discretion. Repeals Commissioner's authority over such organizations on 7/1/04.

Health Insurance Fraud; Penalties; Reporting Immunity. (SB614, SD1, HD1, CD1) Establishes insurance fraud provisions in the laws governing accident and sickness insurance, mutual benefit societies, and health maintenance organizations. Provides that a person commits insurance fraud if the person acts or fails to act with the intent to obtain benefits or recovery or compensation for services provided, or provides legal assistance or counsel with the intent to obtain benefits or recovery by: (1) knowingly presenting, submitting, or making, or causing or permitting to be presented, submitted, or made: (A) with intent to defraud, any false information on a claim; (B) any false claim for the payment of a loss; (C) multiple claims for the same loss or injury, including to more than one insurer, except where appropriate; (D) any false claim for payment of a health care benefit; (E) a claim for health care benefit not used by or provided on behalf of the claimant; (F) multiple claims for payment of the same health care benefit, except where appropriate; (G) any undercharges for benefits on behalf of a specific claimant unless any known overcharges for benefits for the same claimant are presented for reconciliation at the same time; or (H) any false statements or claims by or on behalf of any person during any official governmental proceeding; or (2) Aiding, or agreeing or attempting to aid, soliciting, or conspiring with any person who engages in health insurance fraud.

Establishes health insurance fraud as a criminal offense constituting a: (1) class B felony if the value of the benefits, recovery, or compensation obtained or attempted to be obtained is more than \$20,000; (2) class C felony if the value is more than \$300; or (3) misdemeanor if the value is \$300 or less. Requires a person convicted of health insurance fraud to make restitution if the ability to do so has been demonstrated. Provides for immunity from civil liability for the reporting of insurance fraud information to the courts, Insurance Commissioner, insurance fraud investigations unit, National Association of Insurance Commissioners, law enforcement, regulatory agencies, or another insurer, if provided for the purpose of preventing, investigation, or prosecuting insurance fraud, unless the reporting involves malice or perjury. Provides that the health insurance fraud law does not supersede the laws relating to theft, fraud, or deception, and that insurance fraud may be prosecuted under this law or any other applicable law and enjoined by a court of competent jurisdiction. Authorizes a civil action for the recovery of benefits or payments against a person who commits insurance fraud, unless the person has made restitution.

Medicaid Prescription Drug Program Expansion; Compliance with Federal Requirements. (HB1361, HD2, SD1, CD1) Requires the Department of Human Services to offer discounted prescription drugs to qualified individuals whose incomes are at or below 300% of the federal poverty level or any other maximum income limited established by the Centers for Medicare and Medicaid Services, and who meet the Centers' eligibility criteria. Amends the definition of "qualified individual" to conform to the above requirements. Repeals the law authorizing the expansion of the drug program on 7/1/06.

Medicaid Prescription Drug Rebate Special Fund; Appropriation. (HB1652, SD1, CD1) Appropriates \$500,000 for fiscal year 2003-2004 to the Medicaid prescription drug rebate special fund to be expended by the Department of Human Services to support the expansion of the Medicaid

prescription drug program, including to develop a waiver and obtain approval of the waiver from the Centers for Medicare and Medicaid Services.

Resolutions Adopted

ChevronTexaco Alleged Nonpayment of Taxes; Litigation Urged. (SCR33, SD1; SR21, SD1) Urges the State to pursue litigation against ChevronTexaco for tax fraud and for the recovery of back taxes due to the State based on an allegedly fraudulent transfer pricing scheme involving the purchase of Indonesian crude oil.

Hawaii Homeownership Center. (SCR96) Expresses the Legislature's support for the Hawaii Homeownership Center, a nonprofit organization established to assist low-income and moderate-income persons in becoming successful homeowners.

Hawaii State Homeless Policy Academy. (SR50, SD1) Requests the Housing and Community Development Corporation of Hawaii to report to the Legislature before the 2004 Regular Session on the State's action plan to address chronic homelessness in Hawaii through the Hawaii State Homeless Policy Academy.

Medical Savings Account; Sunrise Review. (HCR93) Requests the Auditor to conduct a social and financial analysis of the impact medical savings accounts (MSAs) would have on the Prepaid Health Care Act and to examine the feasibility of authorizing the use of MSAs as proposed in House Bill Nos. 450, 1167, and 1293 (2003). Requests: (1) the Insurance Commissioner to assist the Auditor in obtaining information related to ratemaking and the impact of MSA minimum coverage on consumers; (2) the Hawaii Medical Service Association and Kaiser Permanente to assist the Auditor; and (3) the Auditor to submit findings and recommendations to the Legislature before the 2004 Regular Session.

Practice of Hypnotherapy; Regulation; Sunrise Review. (SR57) Requests the Auditor to conduct a sunrise review of the regulation of the practice of hypnotherapy as proposed in Senate Bill No. 2497 (2002), that includes: (1) an analysis of the costs and benefits of the activities of hypnotherapists for consumers; and (2) a summary of laws in other states that do not license hypnotherapists. Requests a report to the 2004 Regular Session.

Public, Educational, or Governmental Programming; DCCA Plans and Policies. (SR79, SD1) Requests the Department of Commerce and Consumer Affairs (DCCA) to develop a written plan that provides notice to all interested parties of DCCA's plans and policies that affect cable access and the transmission of public, educational, or governmental programming. Further requests DCCA to submit a report on the plan to the Legislature before the 2004 Regular Session.

Public Housing Tenants; Economic Disparities Study. (SR19) Requests the Housing and Community Development Corporation of Hawaii to investigate and quantify alleged financial inequities between employed tenants and public assistance tenants in federal low-income housing, and to report on the same to the Legislature before the 2004 Regular Session.

Real Estate Appraiser Licensure and Certification; On-Line Education. (SCR106; SR74) Requests the Department of Commerce and Consumer Affairs to allow on-line education received from accredited institutions to count towards the certification and licensing requirements for real estate appraisers.

Real Property Leases; Study. (SCR89, SD1) Requests the Legislative Reference Bureau to: (1) study the major problems faced by commercial and other land lessees; (2) consult with representatives of The Kamehameha Schools, Hawaii Bankers Association, Small Landowners of Oahu and Small Landowners Association of Hawaii, Land Use Research Foundation of Hawaii, Hawaii Council of Associations of Apartment Owners, and other stakeholders; (3) consult with the Attorney General regarding related constitutional issues; and (4) submit a report to the Legislature before the 2004 Regular Session.

ECONOMIC DEVELOPMENT

The Committee on Economic Development has jurisdiction over programs relating to economic development, and other new industry development; financial and technical assistance to business; and recreation, sports and athletics, state parks and beaches, ocean recreation, and Aloha Stadium.

Bills Passed

Economic Diversification; Development of Plans, Programs, and Initiatives. (HB1579, HD1, SD2, CD1)

Requires the Department of Business, Economic Development, and Tourism (DBEDT) to develop and implement plans, programs, and initiatives to facilitate the diversification of the State's economy. Requires DBEDT to: develop and implement a long-range plan, state policies, and the state economic diversification plan (a promotion and marketing plan to be updated every three years); market Hawaii as a state with a favorable and competitive business climate; conduct market development-related research; coordinate all agencies and cooperate with the private sector in economic diversification; develop a public information and educational program; encourage development of educational, training, and counseling programs; and remove barriers to economic diversification and redundancies in the delivery of public services relating to economic diversification. Requires an annual report of activities and proposed legislation to implement the economic diversification plan to the Governor and Legislature before each Regular Session. Authorizes DBEDT to consult and collaborate with various state entities, the military, and private sector industry representatives.

Workforce Development; Reporting Requirements, Comprehensive State Plan Components. (SB837, SD1, HD2, CD1) Requires the Department of Business, Economic Development, and Tourism to annually report to the Legislature on efforts to increase the number of high-skilled jobs in targeted industry clusters consistent with the efforts of the Workforce Development Council. Requires the University of Hawaii and the Departments of Labor and Industrial Relations, Human Services, Education, Public Safety, and Business, Economic Development, and Tourism to annually report on workforce development programs being offered, the number of individuals placed in employment through the programs, the category of employment garnered, and the amount and nature of expenditures on the programs. Requires all annual and program reports to be posted on the Internet.

Requires that the comprehensive state plan for workforce development prepared by the Council include: (1) strategic goals of workforce development programs; (2) methods to educate the private sector about available government assistance and to facilitate access to resources; (3) creation and improvement of educational opportunities to learn new skills; (4) methods to facilitate job preparation curriculum development for public schools; (5) recommendations to change and improve existing programs; (6) identification of resources required, obstacles to overcome, and best practice models to implement the comprehensive state strategic plan; and (7) a detailed budget for the strategic plan with a justification for each expenditure.

Requires the Council to review and assess placements in higher-skilled jobs and to make recommendations as to state policies and funding priorities to establish reporting requirements for job placement results by category of occupations in high-demand and high-growth areas. Requires the Workforce Development Council to submit annual reports before each Regular Session on the status of the comprehensive state plan and detailed information on workforce programs throughout the State.

Resolutions Adopted

Aloha Stadium Renovation. (SR41, SD1) Requests the Department of Accounting and General Services, in consultation with the University of Hawaii, to: (1) study renovation and reconstruction options for Aloha Stadium; (2) evaluate the actions taken by other states, cities, and universities to renovate and reconstruct their aging stadiums for applicability to the State's needs; and (3) formulate a master plan for Aloha Stadium to account for future uses and markets. Requests the Department of Accounting and General Services to submit a report to the 2004 Regular Session.

Big Box Retailers; Effects on Local Small and Medium Retail Businesses; LRB Study. (SCR6, SD1, HD1) Requests the Legislative Reference Bureau (LRB) to study the effects of big box retailers on local small and medium retail businesses in Hawaii, and the positive impacts of big box retailers upon the local community based on information, data, and analysis obtained or developed by appropriate executive agencies. Requests certain state agencies to provide specific necessary information and data to the LRB by 8/31/03. Directs the Senate Committee on Economic Development and the House of Representatives Committee on Economic Development and Business Concerns to hold public hearings, beginning in June 2003, to obtain additional information to assist the completion of this study, and to monitor the progress of the particular agencies in providing information to the LRB. Requests the Department of Business, Economic Development, and Tourism; Department of Labor and Industrial Relations; Department of Taxation; University of Hawaii Department of Urban and Regional Planning; and the directors of finance of the various counties to assist and cooperate with the LRB in any other aspects of this study, subject to confidentiality requirements. Requests the LRB to report its findings and recommendations to the 2004 Regular Session.

Economic Summit; October 2003. (SCR98, SD1; SR67, SD1) Requests the Department of Business, Economic Development, and Tourism (DBEDT) to convene an Economic Summit in October 2003 to develop and recommend a strategic plan for achieving greater economic sustainability and stability, while increasing job creation in high-demand industries, expanding Hawaii's emerging industry clusters, encouraging community-based enterprises that meet community needs, and maximizing and managing Hawaii's strategic assets for sustaining, stabilizing, and growing the State's economy. Directs DBEDT to convene the Economic Summit with the collaboration and participation of: (1) the regional Economic Development Boards throughout the State; (2) the Chamber of Commerce of Hawaii, and other chambers of commerce in the State; (3) the Hawaii Business Roundtable, Hawaii Business League, National Federation of Independent Business, Hawaii Alliance for Community-Based Economic Development, Hawaii Community Loan Fund, Small Business Assistance Center, Community-Based Economic Development Advisory Council, and other public and private business related organizations and coalitions; (4) the University of Hawaii and its colleges, including the College of Tropical Agriculture and Human Resources, College of Business Administration, and College of Arts and Sciences; (5) representatives of Hawaii's agriculture, tourism, ecotourism, hospitality, high technology, service, and retail industries; (6) the nonprofit sector, including entities that provide health, medical, environmental, and other social and human services; and (7) other entities and individuals to ensure the broadest possible participation. Requests DBEDT to submit the strategic plan and a report on the Economic Summit, including recommendations and proposed legislation, to the 2004 Regular Session.

Enhancing State Parks; Community-Based Cultural Tourism Model. (SR139) Requests the Department of Land and Natural Resources (DLNR) to consider strategic partnerships with non-profit entities, such as the Friends of Malaekahana, to enhance selected state park properties while applying a community-based cultural tourism model. Requests DLNR to offer long-term leases to non-profit

partners to allow for the possibility of more outside funding and continuity of management for state parks.

Hawaii Film Industry; Film Industry Report Update. (SCR196, SD1; SR136, SD1) Requests the Department of Business, Economic Development, and Tourism (DBEDT) and its Film Offices to update its 2000 report, "A Road Map: The Film Industry's Potential And How to Get There". Requests that the updated report include evaluations and recommendations on incentives, including tax incentives, and on supporting digital filmmaking initiatives, including the recently created University of Hawaii Cinematic and Digital Arts degree program; and an identification of impediments to developing and sustaining a viable and robust film industry in the State as well as any recommended solutions to remove the identified impediments and further support the industry considering the limited budget of the Film Offices. Requests that in updating the report, consultation be garnered from film and television industry professionals and organizations, public and private financing agencies, producers, creative talent, including writers and directors, related technology support service providers, and educational and training institutions. Requests DBEDT to submit the updated report, including recommendations and proposed legislation, to the 2004 Regular Session.

Hawaii Film Industry, Support Funding; Identification of Alternative Sources. (SR25, SD1) Requests the Department of Business, Economic Development, and Tourism (DBEDT) to identify alternative funding sources, including private, state, federal, and grant money sources, to advertise, promote, support, and market the local film industry, particularly films made locally by and with local actors, producers, and writers, including films depicting Hawaii's cultural, racial, and ethnic diversity and harmony. Requests DBEDT to identify funding sources for promotion of locally made films with the goal of exportation of the film out-of-state, to be viewed in mainland and foreign venues. Requests DBEDT to submit a report to the 2004 Regular Session on the alternative sources identified and further recommendations on funding sources to advertise, promote, support, and market the local film industry.

HUBZone Empowerment Contracting Program; Criteria. (HCR90) Requests the U.S. Small Business Administration to re-examine the criteria for designating HUBZones under the HUBZones Empowerment Contracting Program as it applies to the State of Hawaii.

Small Business Bill of Rights; Formulation. (SCR76, SD1; SR51, SD1) Requests the Governor to direct the Hawaii Small Business Regulatory Review Board to develop and formulate a "Small Business Bill of Rights" as an official declaration of the expectations of small businesses when dealing with state government. Urges the Governor to request all state departments and agencies to identify appropriate operational changes to make their respective agency more sensitive to the concerns of small businesses, beginning with their own internal policies and procedures. Requests the Hawaii Small Business Regulatory Review Board to submit a proposed "Small Business Bill of Rights" in a form suitable for legislation to the 2004 Regular Session, and which embraces the methods and procedures by which the various state departments and agencies will create a business environment that will position the State as the most small business-friendly in the nation.

State Fairgrounds at Aloha Stadium; Designation. (SR23, SD2) Requests the Stadium Authority to designate the lower Halawa parking lot of Aloha Stadium as the state fairgrounds.

Telecommunications and Call Centers; Customer Right-To-Know Procedures; Review. (HCR128, HD1) Urges all individuals and organizations involved with telecommunications and call centers to initiate customer right-to-know procedures regarding all inbound and outbound communications. Directs the

Legislative Reference Bureau to review pending customer rights practices and draft legislation mandating that call centers must accurately disclose their location to any customer who inquires. Emphasizes that every effort should be made to ensure individuals' personal data and national security interests are protected by the call center industry.

United Nations Economic and Social Council's Permanent Forum on Indigenous Issues. (HCR78)

Expresses strong support for the convening of the annual meeting of the United Nations Economic and Social Council's permanent forum on indigenous issues to be held in Hawaii 5/12 to 5/13/03.

Waianae and Other Communities; Self-Sufficiency Task Force. (HCR135) Requests the Department of Business, Economic Development and Tourism to establish a task force to develop an emergency action plan to assist and empower the Waianae community and other communities around the State to foster greater self-sufficiency. Specifies that the task force include representatives from the Waianae community and from other similarly situated communities from around the State. Requests that the task force include in the emergency action plan the following elements: (1) identifying existing core community organizations with capabilities in community organization and administrative experience to immediately plan on accessing the community assets; (2) liberating current land use restrictions by enticing land owners to open up the use of lands not in active use, through tax penalties or tax relief and credits, allowing community members the opportunity to develop gardens or cooperative farms, and permitting streamlined approval processes for building permits for structures under \$100,000; (3) developing kapu against the abuse of the shorelines and creating a regime of shoreline rehabilitation, including the replanting of limu, the limited taking of ocean resources, and a community distribution system of seafood resources; (4) supporting the core community organizations with technical assistance to the communities on efficient methods of farming, fishing, use of traditional healing methods, and environmental awareness; and (5) investing necessary public funds to support this initiative. Requests the task force to report its findings and recommendations, including any proposed implementing legislation, to the 2004 Regular Session.

EDUCATION

The Committee on Education has jurisdiction over programs relating to early education, public schools, continuing education, and the public libraries; the University of Hawaii and community college system.

Bills Passed

CHARTER SCHOOLS

Funding and Administrative Agency. (SB1700, SD1, HD2, CD1) Establishes a funding formula to be used in budgeting, appropriating, and allocating funds for the charter schools, which provides a per pupil amount for each regular and special education student based upon enrollment in the charter schools. Establishes a schedule of payments to the charter schools of 40 percent by August 1 of each fiscal year, an additional 40 percent by October 15 of each fiscal year, and the remaining 20 percent no later than January 1 of each fiscal year, based upon verified enrollment counts. Allows charter schools to enter into a contract with the Department of Education (DOE) for central services to be provided by the DOE.

Establishes no later than 10/1/03, the charter school administrative office, to be administered by an executive director, to support the internal organization, operation, and management of the charter schools, including preparation and execution of budget, allocation of annual appropriations, compliance with state laws, preparation and execution of annual contracts with the DOE and other state agencies, representation of charter schools in communications with Board of Education, Governor, and Legislature, and monitoring and supporting of progress of charter schools.

Articulates responsibilities of the DOE and the charter schools related to special education students by placing responsibility for provision of educational and related services with the charter school unless the charter school cannot provide such, which will then be the responsibility of the DOE. Requires the DOE to collaborate with the charter school administrative office to develop guidelines for the allocation of special education resources to the charter schools based upon a per pupil weighted formula implemented by the DOE and used to allocate resources within all public schools. Requires, beginning fiscal year 2004-2005, that the charter school administrative office submit a budget request for each charter school upon which legislative appropriations will be based, and distribute allocations due each school. For fiscal year 2003-2004, requires the DOE to make allocations to the charter schools based on a per pupil allocation of \$5,355 for each regular and special education student with 40 percent by 8/1/03 based upon projected enrollment counts submitted by the schools by 7/1/03; 40 percent by 10/15/03 based upon verified counts submitted by the schools by 9/15/03; and 20 percent by 1/1/04 based upon revised enrollment counts submitted by the schools by 12/1/03. Restricts allocation to charter school administrative office to \$250,000.

DOE; ADMINISTRATIVE RESTRUCTURING

Administrative Structure; Salary Caps for Deputy, Assistant, and Complex Area Superintendents. (HB1175, HD2, SD1, CD1) Designates complex area superintendents as the chief administrative officer of their respective complex area of school complexes. Assigns complex area superintendents the

responsibility to supervise the delivery of administrative and instructional support services, including: personnel, fiscal, and facilities support; monitoring of compliance with state and federal laws; and curriculum development and student assessment, within complex areas. Caps the salaries of the deputy, assistant, and complex area superintendents at not more than 80 per cent of the superintendent's salary.

School Complex Areas; Curricula Alignment. (HB289, HD2, SD2, CD1) Establishes 15 complex areas comprising multiple school complexes, and complex area superintendents as chief administrative officers of the complex areas. Requires school complex areas to ensure that curricula within each school complex is aligned with the statewide performance standards and demonstrates a coherent progression throughout all grade levels. Repeals the definition of "regional administrative unit".

DOE; PERSONNEL

Multi-Track Schools; 12-Month Appointments. (SB209, SD3, HD1, CD1) Provides additional \$60,000 in general funds to support the conversion of 10-month positions to 12-month positions, as necessary, at multi-track schools.

School Business Assistant Positions. (SB337, SD1, HD1) Converts 42.00 full-time equivalent business assistant positions of the Department of Education from temporary to permanent status.

DOE; TEXTBOOKS AND STANDARDS

Foreign Language Competency. (SB1326, SD1, HD1) Revises state standards related to foreign language competency to allow the Department of Education to provide opportunities for all students to develop competency in a foreign language.

Textbooks; Annual Fees and Lists. (HB32, HD2, SD2, CD1) Authorizes public schools to assess an annual fee not to exceed \$20 per student for textbooks and instructional materials, beginning with the 2005-2006 school year. Provides exemptions from the assessment for qualifying students from low income families. Requires each school to compile an annual list of textbooks to be made available, not later than the first day of class each school year, upon the request of a student, parent or guardian of a student.

PUBLIC SCHOOL FACILITIES

School Repair & Maintenance; Hawaii 3R's Program. (SB58, SD1, HD2, CD1) Establishes the Hawaii 3R's school repair and maintenance fund as a separate fund within Hawaii 3R's, a Hawaii nonprofit organization, to replace the current Hawaii school repair and maintenance fund established within Helping Hands Hawaii, another nonprofit organization. Provides a general fund grant of \$148,688, through Helping Hands Hawaii to support the Hawaii 3R's program.

Requires that Helping Hands Hawaii transfer remaining grant funds to Hawaii 3R's program once it achieves federal status as a non-profit organization.

Provides \$51,312, for a state coordinator position within the Department of Accounting and General Services to work with the Hawaii 3R's program.

School Repair and Maintenance; Reports; Project Prioritization. (HB281, HD1, SD2, CD1) Requires the Department of Education and the Department of Accounting and General Services to compile data and report the status of repair and maintenance projects to public schools and to the Legislature 20 days prior to each Regular Session. Requires the Comptroller to expend funds from the state educational facilities repair and maintenance account based upon the prioritization approved by the Department of Education. Requires the Comptroller to develop and implement appropriate planning procedures and follow-up accountability reports for the use of funds for school repair and maintenance.

SPRBs; PRIVATE SCHOOLS

Chaminade University; SPRBs. (HB1564) Authorizes the issuance of special purpose revenue bonds not to exceed \$10,000,000 to support planning, acquisition, construction, improvement, and furnishing of educational facilities for Chaminade University.

Hanahau'oli School; SPRBs. (HB485) Authorizes the issuance of special purpose revenue bonds not to exceed \$5,000,000 to support construction and improvement of educational facilities for Hanahau'oli School, and land acquisition for future needs.

Hoala School; SPRBs. (HB939) Authorizes the issuance of special purpose revenue bonds not to exceed \$5,000,000 to support planning, acquisition, construction, and improvement of educational facilities for Hoala School.

Mid-Pacific Institute; SPRBs. (HB488) Authorizes the issuance of special purpose revenue bonds not to exceed \$15,000,000 to support planning, acquisition, construction, and improvement of educational facilities for Mid-Pacific Institute.

St. Patrick School; SPRBs. (HB1362, SD1, CD1) Authorizes the issuance of special purpose revenue bonds not to exceed \$7,000,000 to support planning, acquisition, construction, or improvement of educational facilities for St. Patrick School.

STATE LIBRARY SYSTEM

Tax Refund Donations. (HB638, HD1, SD2, CD1) Establishes a check-off box on state tax returns to allow taxpayers to contribute \$2, or \$4 in the case of a joint return, of their income tax refund to the libraries special fund, beginning with the taxable year January 2004. Authorizes a taxpayer who failed to make a designation on the original tax return filed to designate such a donation on an amended return filed within 20 months and 10 days after the due date for the original return. Allows the State Librarian to receive private donations and use such to support the operations of the library system, including the payment of staff salaries and expenses related to library operations.

TEACHER STANDARDS

Hawaii Teacher Standards Board; Out-of-Field Teaching Reports. (SB1237, SD1, HD2, CD1) Provides definitions of "out-of-field teacher" and "teaching-out-of-field" for the purposes of reporting by the Department of Education (DOE) to the Hawaii Teacher Standards Board, and establishes procedures for mandatory reporting by licensed teachers and employees or officers of the DOE or any teacher preparation institution. Requires annual report to be submitted to the Hawaii Teacher Standards Board and to be posted on the DOE's Internet website. Imposes criminal sanctions against persons who knowingly prevent another person from reporting, or fail to report, violations of "out-of-field" teaching. Provides for confidentiality of information protected under the Uniform Information Practices Act. Requires the Board to maintain a central registry of reported violations and to expunge unsubstantiated violations. Authorizes the Hawaii Teacher Standards Board to fund and make permanent its currently established positions if funds are available in its special fund.

Medical Education Council. (SB402, SD2, HD2, CD1) Establishes the Hawaii Medical Education Council to support workforce development at the graduate school level for healthcare professions in Hawaii. Creates a graduate medical education program to be administered by the Council in cooperation with the Department of health, and funded with moneys received for graduate medical education. Requires that the Council consist of the Dean of the School of Medicine, Dean of the School of Nursing and Dental Hygiene, and Vice Dean for Academic Affairs, respectively, of the University of Hawaii, the Director of Health or designee, the Director of the Cancer Research Center of Hawaii or designee, and eight representatives from health care institutions and professions to be appointed by the Governor. Prohibits appointment of any two non-UH council members employed or affiliated with the same institution of higher education, state agency, or private entity. Provides for the terms of office of Council members, filing of vacancies, designation of chair, and payment of per diem for certain Council members. Prescribes the Council duties and powers and exempts Council expenditures from the state procurement laws and Council employees from the civil service and collective bargaining laws. Establishes the Hawaii medical education special fund and appropriates \$800,000 from the fund to support the operations of the council.

Risk Management. (HB320, HD2, SD1, CD1) Establishes a risk management special fund and program so that the University of Hawaii may indemnify certain research and other educational programs. Allows legislative appropriations, assessments for risk management, moneys received from the settlement of claims, and funds from insurance policies to be deposited into the fund. Authorizes the expenditure of revenues from the risk management special fund for costs and expenses associated with the administration and operation of the risk management program. Authorizes the University of Hawaii Board of Regents to approve the indemnification of certain persons, programs, and entities as necessary to receive research and other funds for educational purposes. Sets limits on the scope of liability the University may incur under the risk management program. Requires the Board of Regents to annually report to the Legislature on the sources of revenue and expenditures of the special fund.

Teacher Education Coordinating Committee (TECC). (SB69, SD1, HD1) Includes a representative from the Hawaii Teacher Standards Board on the TECC. Clarifies that the TECC is to meet at least six times each year, not any year.

Tuition and Special Fees Special Fund. (SB576, HD2, CD1) Imposes disclosure requirements on the use of special fund revenues for fundraising by the University of Hawaii Foundation. Requires the Auditor to abide by the same disclosure restrictions as the Foundation with regard to information on private

donors. Requires the University to submit to the Legislature annual detailed reports on expenditures of special funds by the University of Hawaii Foundation in support of fundraising activities.

Resolutions Adopted

DOE; ADMINISTRATION AND POLICIES

Certificated Public High Schools; Implementation Plan to Establish. (SR99, SD1) Requests the Department of Education and the University of Hawaii to collaboratively develop an implementation plan to establish a certificated high school program based upon other state models that will foster the pursuit of higher education among students in public schools. Requests the program to specifically consider the core curriculum, advanced placement and honors curriculum, and educational and teaching background of a school in establishing certificated high school program. Requests the submission of the implementation plan from the University of Hawaii to the Legislature before the 2004 Regular Session.

Realignment of Staffing Within the School Complexes. (SR97, SD1) Requests the Department of Education (DOE) to review the allocation of all staff positions and develop a realignment plan for vice principals and other educational officer and teacher positions within each school complex, to be consistent with the complex-based management structure being adopted by the DOE. Requests a report, including a realignment plan, from the DOE to the Legislature before the 2004 Regular Session.

State Library System Strategic Plan for Separation of Public and School Libraries. (SR98 SD1) Requests the Department of Education and the Hawaii State Library System to develop a strategic plan to separate public and school libraries to enhance levels of service for the community and for students. Requests that the plan specifically address: a timetable for implementation of separation; new methods or technologies to provide enhanced services projects costs of necessary capital improvements and related costs, and how levels of service can be maintained during the separation. Requests that a process for soliciting and receiving community input be included in the development of the strategic plan. Requests the submission of the strategic plan to the Legislature before the 2004 Regular Session.

DOE; CURRICULUM AND STANDARDS

Asia Pacific Education; Task Force. (SCR150) Requests the establishment of a Task Force on Asia-Pacific education to ensure Hawaii's students meet standards in education about Asia and the Pacific region and understand the impact of the State's relationship with the region, and which shall consist of members from the East-West Center, the University of Hawaii, and the Department of Education. Requests the Senate President and Speaker of the House to appoint one member from each respective house to coordinate the task force. Charges the task force with: studying current efforts to help Hawaii's students learn about Asia and the Pacific region, the State's Asia-Pacific resources and how they can be used to further education; and developing a strategic plan for aligning Asia-Pacific education with Hawaii's statewide educational standards, encouraging all schools in Hawaii to incorporate Asia-Pacific studies as core curriculum, and establishing criteria for monitoring progress of strategic plan. Requests a report of findings and recommendations to the Legislature before the 2004 Regular Session.

Closed-Captioning Television to Teach English; Pilot Project. (SR14) Encourages the Department of Education to implement a two-year pilot project to instruct teachers on the literacy benefits of closed-caption television viewing and to require teachers to produce written materials for parents explaining the benefits to students. Requests submission of report to the Legislature on the benefits and drawbacks associated with the pilot project, before the Regular Sessions of 2004 and 2005.

Home-Schooled Students; Participation in Extracurricular and Co-Curricular Activities in Public Schools. (SR38) Requests the Department of Education to immediately establish procedures and guidelines for allowing home-schooled students to participate in extracurricular and co-curricular activities in public schools.

Internment of Japanese Americans During World War II; Curriculum Guidelines for Instruction; Development. (SR39, SD1) Requests the Department of Education to collaborate with the East-West Center, Honolulu Chapter of the Japanese American Citizens League, and University of Hawaii College of Education Curriculum and Research Development Group, to develop appropriate curriculum guidelines for instruction about the history and impacts of internment of Japanese Americans during World War II. Requests that the guidelines specifically provide for: updating and distributing existing resources, including the publication "Ancestry Is Not A Crime"; developing interactive resources, in consultation with district resources teachers, for presentation at elementary and secondary schools; coordinate and use oral history and documents compiled by Japanese American families and veterans organizations; and partner with Japanese American civic and community organizations.

No Child Left Behind Act of 2001; Additional Federal Funding. (HCR146) Requests the members of Hawaii's congressional delegation to work to obtain additional federal funds to support the State's efforts to meet the mandates of the federal "No Child Left Behind Act of 2001".

Publications for Parents about Kindergarten through Grade Six Educational Programs; Distribution. (SR18, SD1) Requests the Department of Education (DOE) to review U.S. Department of Defense (DOD) publications designed to inform parents about educational programs in grades kindergarten through six. Requests the DOE to partner with the U.S. DOD and others to obtain and distribute education publications to parents of Hawaii public school students. Requests the DOE to submit a status report to the Legislature before the 2004 Regular Session.

Research-based Curriculum and Standards-based Classroom Assessments; Adoption by DOE. (SR20, SD1) Requests the Department of Education (DOE) to use research-based curriculum and standards-based classroom assessments to meet the requirements of the federal "No Child Left Behind Act of 2001".

Requests the DOE to adopt research-based curriculum that is aligned to the state standards and to ensure appropriate teacher training in the use of the curriculum and standards-based assessments.

Requests the DOE to submit a report to the Legislature before the 2004 Regular Session, identifying the use of research-based curriculum models within Hawaii's public school system and include a comparison of the large-scale achievement test results of schools that have adopted research-based curriculum models.

PUBLIC SCHOOL FACILITIES

Maui Lani School LLC; Real Estate Transaction for a New Elementary School. (HCR117) Requests the Department of Education (DOE) to enter into a real estate transaction agreement with Maui Lani School LLC for the design, construction, financing, and acquisition of land for Maui Lani Elementary School in Kahului, Maui. Requests the completion of the design and construction of the Maui Lani elementary School prior to the start of the 2005-2006 school year. Requests that the DOE submit a copy of the real estate transaction agreement to the Legislature before the 2004 Regular Session.

Pahoa School Gymnasium; Agreement for Construction. (SCR181; SR129) Requests the Department of Education (DOE) to enter into an agreement with Mrs. Theodora Mallick for the purchase of land and construction of a gymnasium for Pahoa High and Intermediate School. Requests a report to the Legislature from the DOE on the details of the scope, timetable, and cost of the transaction upon completion of the agreement.

PUBLIC SCHOOL REFORM

Career Pathways School Reform Model; Implementation Urged. (HCR185) Urges the Chairperson of the Board of Education to implement career pathways as a school reform model to redesign career and technical education programs that reflect economic development initiatives and priorities. Requests the Department of Education (DOE) career and technical education staff to partner with leaders in economic development, business, industry and research institutions to design and implement state-of-the-art career and technical programs of study, and align programs with post-secondary opportunities and emphasize integration of academic and technical training and the use of problem-based strategies and current technology. Requests the DOE to prioritize existing resources and propose to the Legislature a budget detailing specific staffing, facility renovation, and professional development needs.

Interim Legislative Study Group. (SR32, SD1) Requests the Senate President to convene and appoint Senate members, including the chairperson of the Committee on Education, to a 2003 interim study group to continue dialogue about education reform issues. Requests the study group to review the ideas and recommendations of the 2002 interim focus groups, which were not adopted during the 2003 Regular Session, and in addition consider the issue of adequacy of state funding for education using a per pupil formula, the gathering of longitudinal data on student achievement, and the need for a state council on education data and accountability. Requests that the interim study group solicit and receive public input and prepare a report of findings and recommendations to the Senate before the 2004 Regular Session.

STUDENT ACHIEVEMENT

Longitudinal Data on Student Achievement; Plan Development. (SR65, SD1) Requests the Department of Education (DOE), with the assistance of the College of Education and the Hawaii Educational Policy Center, to formulate a plan to gather, analyze, and report longitudinal data on student achievement, beginning with the 2004-2005 school year. Requests that the plan include a proposal from the DOE for the implementation of an expanded student data system that will more specifically identify factors influencing student achievement.

Raising Student Academic Achievement; Study of State Practices. (SR101) Requests the Legislative Reference Bureau (LRB) to study and identify effective state practices for: raising student achievement among low scoring students and for narrowing the achievement gap between students; and increasing the percentage of students reaching the "proficient" level on the National Assessment of Educational Progress. Requests the Board of Education, Department of Education, and University of Hawaii College of Education to assist the LRB in its study in order to ensure the reports thoroughness and timeliness. Requests the LRB to submit its findings and recommendations to the Legislature before the 2004 Regular Session.

UNIVERSITY OF HAWAII

Research Enterprise; Expansion Plan. (SR104, SD1) Requests the University of Hawaii to develop and implement a five-year plan to expand its research enterprise, in consultation with the executive administration and the Legislature. Requests the University to submit a status report on the implementation plan to the Governor and the Legislature before the 2004 Regular Session.

Rural Health Science Center at University of Hawaii at Hilo; Establishment. (SR83) Requests the University of Hawaii to establish a Rural Health Science Center at the Hilo campus to initiate and coordinate research on multicultural health care and practices in rural regions and provide training in multi-cultural rural health care to mental and physical health care providers. Requests a status report from the University to the Legislature before the 2004 Regular Session.

Senior Citizen Visitor Program; Full Implementation. (SR53) Requests the Board of Regents and the President, respectively, of the University of Hawaii to fully implement the Senior Citizen Visitor Program (SCVP) on a systemwide basis. Requests the University to provide information about the SCVP on each campus and community college website, and provide information to the Executive Office on Aging, each county area office on aging, and each branch of the State Library System. Requests the University to submit to the Legislature a status report on systemwide implementation, before the 2004 Regular Session.

Student Financial Aid, Report. (SR31, SD1) Requests the University of Hawaii to study and report on the status and effectiveness of state, federal, and non-governmental student financial aid programs presently offered at the University. Requests that the report include data and statistics on the types of financial aid programs offered and received, the total number of students receiving financial aid, the number of state residents receiving financial aid, and the graduation rate of students receiving financial aid. Requests that the report include amounts of state and federal funds supporting financial aid, and how financial aid can be integrated into University tuition policies. Requests the report to be submitted to the Legislature before the 2004 Regular Session.

OTHER ISSUES

Adult and Community Education; Costs and Revenues Generated; Report. (SR37, SD1) Requests the Department of Education (DOE) to identify the personnel and related operating costs of adult and community education and the amounts of state funds provided and revenues generated from these programs. Requests the DOE to identify three outcome measures that can be used to measure effectiveness of programs. Requests the DOE to submit to the Legislature a report of findings and

recommendations, including status of adoption of standards for adult and community education, before the 2004 Regular Session.

Drug Testing in Schools; Task Force. (SR130, SD1) Requests the President of the Senate to convene a task force composed of one member of the Senate appointed by the President, one member of the House of Representatives appointed by the Speaker, the Lt. Governor, the Superintendent of Education, a student, a parent, the Director of Health, a substance abuse treatment provider, the Attorney General, the Public Defender, and the Prosecuting Attorney of the City and County of Honolulu, or their designees, respectively. Requests the task force to consider the following issues: liability for schools with knowledge of student drug use; confidentiality of test results and records; protection of constitutional right to privacy; costs and availability of drug tests and services; availability of treatment facilities for student drug users; value of drug testing as a deterrent to drug use; effect of drug testing in school on discouraging participation in co-curricular activities; less intrusive alternatives to drug testing that could be used by the Department of Education; standards used to initiate drug testing of students; current efforts and effectiveness of juvenile drug court program; feasibility of offering parental options for students to attend schools with or without drug testing policies; alternatives to drug testing of students on campuses. Requests the task force to consider whether SB 1471, introduced in the 2003 Regular Session, should be passed in the 2004 Regular Session. Permits the task force to request research support from the Legislative Reference Bureau. Requests the task force to submit a report of findings and recommendations to the Legislature before the 2004 Regular Session.

Financial Literacy for Youth; Awareness Campaign. (HCR160, HD1) Designates April as "Financial Literacy for Youth in Hawaii Month" to raise awareness about the need for financial literacy programs in our schools. Requests the Governor to issue a proclamation calling on Hawaii's financial institutions with the support of public and private organizations to promote the furtherance of financial literacy through observance of "Financial Literacy for Youth in Hawaii Month" through appropriate activities and programs.

Patsy Takemoto Mink Equal Opportunity in Education Act; Congressional Support. (HCR31, SD1) Urges the U.S. Congress to maintain Title IX, the Patsy Takemoto Mink Equal Opportunity in Education Act, in its original form and to oppose recommendations that would weaken the act.

Teacher Cadet Program; Establishment. (SR40) Urges the Chairperson of the Board of Education and the Chairperson of the Hawaii Teacher Cadet Program to establish a systematic statewide teacher cadet program to recruit Hawaii's best students for teaching careers in public schools. Specifically requests the Chairpersons to: report on the status of the Hawaii Teacher Cadet Program and progress in recruiting Hawaii students; provide an estimate of the program's future costs; and suggest various incentives to attract teacher cadets into the program.

ENERGY & ENVIRONMENT

The Committee on Energy and Environment has jurisdiction over programs relating to energy resources; population; and environmental quality control and protection, including litter control, recycling, wastewater treatment, endangered species, and hazardous waste.

Bills Passed

I. Energy

Electric Utilities; Fuel Mix Disclosure. (HB10 HD2, SD1, CD1) Requires, beginning 6/1/04, and every June 1 thereafter, retail suppliers of electricity to annually disclose to their retail customers fuel mix information by generation category for electricity sold and the average retail price of electricity for each rate class of service for the prior calendar year. Requires the average retail price to be calculated by dividing the total electric revenues for each rate class by the total kilowatt-hours sold to each respective rate class. Requires that the disclosure be either printed on the customer's bill or included as an insert. Disallows a utility from passing on the costs associated with the disclosure to customers. Mandates that the information be posted on the utility's Internet website, if the utility maintains one. Defines "fuel mix" as the electricity sold to retail electricity customers expressed in terms of percentage contribution by generation category.

Renewable Energy Tax Credits; Established. (SB855 SD1, HD3, CD1) Establishes renewable energy tax credits for energy systems installed after 6/30/03 as follows:

- Solar thermal and photovoltaic energy systems – the lesser of 35 percent of actual cost or: \$1,750 (single-family residential); \$350 per unit (multi-family residential); and \$250,000 (commercial).
- Wind-powered energy systems – the lesser of 20 percent of actual cost or: \$1,500 (single-family residential); \$200 per unit (multi-family residential); and \$250,000 (commercial).

Requires the deduction of any similar federal energy tax credit from the cost before applying the state credit. Requires, by December 2005, the Department of Taxation to assist with data collection, by technology and taxpayer types, as to the number of systems that qualified for the credits and the cost to the State. Requires an energy-efficiency policy review and evaluation by the energy resources coordinator to determine and report the status and effectiveness of the renewable energy tax credits.

II. Environment

Bottle Bill Amendments. (HB1456 HD1, SD1, CD1) Makes clarifying amendments to the Deposit Beverage Container Program. Decreases the burden on dealers required to operate bottle redemption centers. Exempts amounts received as beverage container deposits from the income tax. Requires each deposit beverage distributor to generate to the Department of Health (DOH) a monthly report of total sales to dealers or consumers and deems confidential all information submitted. Requires, beginning 10/1/02, monthly payment of beverage container fees and deposits based on the distributors' sales reports. Authorizes DOH to allow dealers to charge customers the deposit value prior

to 1/1/05, if the container is marked with the deposit value that has been duly paid. Requires dealers to inform customers that such deposits paid will not be redeemable until 1/1/05. Provides a formula for the amount due from deposit beverage distributors. Requires annual reports by January 31 of each year, for all importers and manufacturers. Clarifies that dealers shall post notice of the closest nondealer redemption center, at the primary public entrance of their place of business. Allows DOH to limit the number of redemption centers, set minimum distances between centers, permit potential operators to bid for a center, and set minimum population requirements for high density areas to be served.

Food Waste Recycling. (SB319 SD2, HD1) Establishes requirements for counties with a population of 500,000 or more for the collection and recycling of food waste by specified restaurants, food courts, hotels, markets, food manufacturers or processors, catering establishments, hospitals, schools, and businesses. Authorizes a county to assess a surcharge to effectuate the collection and recycling program. Allows a county to request a waiver from food waste collecting and recycling requirements if the Department of Health (DOH) determines that the county lacks the recycling capacity to meet the requirements of the food waste recycling law. Requires, effective 7/1/03, that waste recycling facilities report to the DOH quarterly on the volume of food waste being recycled and the dollar amount the facility is charging for collection and disposal of food waste. Includes a food waste recycling program component as part of the counties' integrated solid waste management plans. Establishes criteria for the food recycling component of the counties' integrated solid waste management plans.

Habitat Conservation Plans; Safe Harbor Agreements. (SB843, SD1, HD2; Act 35) Allows state and county agencies to enter into Habitat Conservation Plans (HCP) and Safe Harbor Agreements (SHA). Requires legislative approval of certain plans and agreements. Makes explicit the authority of the Department of Land and Natural Resources to revoke a HCP or SHA if continuation of the permitted activity would appreciably reduce the likelihood of survival or recovery of any threatened or endangered species in the wild. Authorizes citizen suits against state and county agencies for violations of HCPs and SHAs obligations or conditions.

Hawaii Invasive Species Council. (SB1505 SD1, HD2, CD1) Statutorily establishes the Hawaii Invasive Species Council (Council) for the purpose of coordinating and improving invasive species control and eradication efforts throughout the State. Provides that the Council shall be appointed by the Governor and be composed of the President of the University of Hawaii, appropriate department directors and chairpersons, and representatives of federal agencies. Enables the Council to designate different state departments as the lead agency responsible for spearheading invasive species control or eradication activities based on the particular department's area of expertise. Provides broad authority to designated invasive species control or eradication agencies to take actions necessary to control or eradicate invasive species, including coordinating existing and supplemental efforts and developing and implementing an invasive species plan. Allows a departmental agent to enter onto private and government property to control or eradicate an invasive species after reasonable notice is given. Allows for application of a warrant in the case where the property owner or person officially in charge thereof fails to comply with the order. Prohibits the importation or sale into the State of *Salvinia molesta*, *Salvinia minima*, and *Pistia stratiotes*. Provides that no interim rule for the regulation of plant and non-domestic animal quarantine and microorganism import shall be effective for more than one year.

Invasive Species Control; Landowners' Liability. (SB552, SD2, HD2) Encourages landowners to allow land and water access for invasive species control or eradication by limiting the landowners' liability,

with exceptions, toward persons entering their property for control and eradication purposes. Establishes that a landowner has no duty of care to keep the premises safe or to give any warning of dangerous conditions to persons entering the landowner's property for invasive species control. States that limitation of liability does not apply to landowners who wilfully or maliciously fail to warn persons of a dangerous condition or when a landowner charges invasive species control personnel admission to enter the property.

Resolutions Adopted

Alien Aquatic Organisms; Joint Effort. (SR115) Urges the Department of Agriculture and Department of Land and Natural Resources (Departments) to develop a joint procedure to disallow the importation of potentially invasive alien aquatic organisms into the State without the approval of both Departments. Requests the Departments to report their recommendations, including any proposed legislation before the 2004 Regular Session.

Emissions Working Group; Motor Vehicle and Power Plant Emissions. (SR113 SD1) Requests the Department of Health to convene an emissions working group to measure the State's overall emissions from motor vehicles and power plants, and to propose strategies and legislation to reduce emissions. Requires the emissions working group to submit an interim report to the Legislature by 9/19/03, and a final report before the 2004 Regular Session.

Environmental Court Study. (SR33, SD1) Requests the Chief Justice of the Supreme Court, or the Chief Justice's designee to convene and head an ad hoc committee to study the viability of establishing an environmental court in the State. Requires the ad hoc committee to study the successful environmental court models from other jurisdictions and submit a report to the Legislature on its findings and any proposed legislation necessary to establish an environmental court before the 2004 Regular Session. Requires that the membership of the ad hoc committee consist of representatives from each county's prosecutor office and police department, the Departments of Agriculture, Health, Land and Natural Resources, Office of the Public Defender, and four members from the general public chosen by the Chief Justice of the Supreme Court for their expertise in environmental issues.

Light Pollution Study. (SR62) Requests the Director of Business, Economic Development, and Tourism (DBEDT) to assess the level of light pollution in the State and to develop a strategy for reducing the amount of electricity being consumed by excess illumination. Requests that the Departments of Accounting and General Services, Health, and Land and Natural Resources assist the Director of DBEDT in the study. Requires that findings and recommendations be submitted to the Legislature before the 2004 Regular Session.

Promising Energy Efficiency and Renewable Energy Technologies; Analysis. (SR106, SD1) Requests the Hawaii Community Development Authority (HCDA) and the Department of Business, Economic Development, and Tourism (DBEDT) to conduct an analysis of HCDA's current development efforts to determine to what extent it is utilizing promising energy efficiency and renewable energy technologies in its development districts. Requires that the study include an analysis of the impact of developments on energy infrastructure and the environment, the current use of energy efficiency and renewable energy technologies, and a cost/benefit analysis of potential technologies in HCDA developments. Provides that representatives of private and public sector agencies, organizations, and individuals shall assist HCDA and DBEDT in the study. Requires that HCDA and DBEDT report their findings to the Legislature before the Regular Session of 2004. Requires, if the study results show that such

technologies provide benefits that exceed costs, that the HCDA include a requirement for the use of such technologies in all of its developer bidding documents, and provide a preference to bidders that incorporate the technologies into their development proposals.

Renewable Energy Systems; Standard Offer Contracts and Standardized Interconnection Agreements.

(HCR172, HD1) Requests the Consumer Advocate to form an ad hoc advisory group to investigate and make recommendations regarding the development and implementation of standard offer contracts and standardized interconnection agreements to reduce the approval process time for the implementation of renewable energy systems and facilitate the purchase of electricity from renewable energy producers in Hawaii. Requires that the ad hoc advisory group include representatives from the Public Utilities Commission, Hawaii's electric utilities, cogeneration producers, Department of Business, Economic Development, and Tourism, Hawaii Renewable Energy Association, renewable energy producers, Sierra Club, Life of the Land, and the energy coordinator or a representative from each county. Requests the Consumer Advocate to create a spreadsheet that includes information necessary, relevant, or informative to develop standardized power purchase agreements. Requests the Consumer Advocate to report on the power purchase agreement spreadsheet, methodology used by to evaluate the nonfinancial costs and benefits of each power purchase agreement, recommendations to shorten the approval process time for the implementation of new renewable energy systems, and recommended standardized power purchase agreements.

HEALTH

The Committee on Health has jurisdiction over programs relating to general health, maternal and child care, communicable diseases, dental health, medical and hospital services, mental health, mental retardation, and hospitals.

Bills Passed

EMERGENCY MEDICAL SERVICES

Aeromedical Services. (SB745, SD2, HD2, CD1) Requires the Department of Health (DOH) to integrate emergency aeromedical services into statewide emergency medical services. Requires the DOH to establish, administer and maintain an aeromedical emergency medical services system designed to collect and analyze data to measure the efficiency and effectiveness of each phase of an emergency aeromedical program. Requires emergency helicopter use to be based on national aeromedical triage and transport guidelines established by the Association of Air Medical Services, the American College of Surgeons and the National Association of Emergency Medical Service Physicians. Requires the DOH to use an emergency aeromedical services quality improvement committee to evaluate and develop recommendations to maintain and improve the Hawaii emergency aeromedical services system. Appropriates \$611,500 for fiscal year 2004-2005, to fund the provision of emergency aeromedical helicopter services for the county of Maui if the county of Maui matches the funding. Appropriates \$388,500 for fiscal year 2004-2005, to integrate additional ground ambulance services with the emergency aeromedical helicopter services.

Alcohol and Substance Abuse Policy. (SB1163) Requires the Department of Health to establish standards that require licensed ambulance service providers to establish and maintain an alcohol and substance abuse policy for employees. Requires the policy to be equivalent to, or exceed safety and health standards established by the federal Department of Transportation for holders of a commercial driver's license.

Emergency Contraceptives for Sexual Assault Survivors. (SB658, SD1, HD3) Requires hospitals that provide emergency care to sexual assault survivors to: (1) provide each sexual assault survivor with medically and factually accurate and unbiased written and oral information about emergency contraception; (2) orally inform the patient of the option to receive emergency contraception at the hospital; and (3) provide emergency contraceptives, including the initial dose and the follow-up dose administered 12 hours later, immediately upon request by a sexual assault survivor. Requires the Department of Health (DOH) to bear the cost of the emergency contraception dispensed. Requires hospitals to train all persons providing care to sexual assault survivors by providing them with medically and factually accurate and unbiased information about emergency contraception and sexual assault treatment. Authorizes the DOH to enforce this law and to: (1) impose a \$5,000 administrative fine for each violation; and (2) after two violations, suspend or revoke the hospital's license to operate or deny the hospital's application for a license to operate. Takes effect on 7/1/03.

HEALTH FACILITIES AND TECHNOLOGY DEVELOPMENT

Cancer Detection Development Revolving Fund. (SB1446, SD2, HD1, CD1) Establishes the Cancer Detection Development Revolving Fund to be administered by the Hawaii Strategic Development Corporation to assist enterprises that develop healthcare and biomedical technology to detect cancer, including cervical cancer, in its early stages. Authorizes legislative appropriations, loan repayments, investment earnings, and amounts received from venture agreements, royalties, premiums, or fees to be deposited into the revolving fund.

Honolulu Neighborhood Housing Services, Inc.; Special Purpose Revenue Bonds. (SB1068, SD1, HD2) Extends from 6/30/03 to 6/30/08, the authorization to issue special purpose revenue bonds to assist the Honolulu Neighborhood Housing Services, Inc., in planning, designing, and constructing a senior citizen lifecare retirement community.

North Hawaii Community Hospital, Inc.; SPRBs. (SB3, SD1) Authorizes the issuance of up to \$20,000,000 in special purpose revenue bonds to assist North Hawaii Community Hospital, Inc., in financing or refinancing the: retirement of outstanding debt on North Hawaii Community Hospital, Inc.'s, existing health care facilities; retirement of outstanding debt and purchase of leases on existing equipment used in connection with North Hawaii Community Hospital, Inc.'s, health care facilities; construction of new additions to North Hawaii Community Hospital, Inc.'s, existing health care facilities; acquisition and installation of additional equipment and other assets for use in connection with North Hawaii Community Hospital, Inc.'s, health care facilities; and renovation and repair of North Hawaii Community Hospital, Inc.'s, existing health care facilities. Lapses the authorization on 6/30/05.

Pacific Cardiac Institute, Inc.; SPRBs. (HB377, HD1, SD1) Extends to 6/30/08, the authorization of Act 279, Session Laws of Hawaii 1999, to issue up to \$15,000,000 in special purpose revenue bonds to assist Pacific Cardiac Institute, Inc., a not-for-profit Hawaii corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; plans, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Cardiac Institute, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Pacific Community Health & Wellness, Inc.; SPRBs. (HB378, HD1) Extends to 6/30/08, the authorization of Act 293, Session Laws of Hawaii 1999, to issue up to \$5,000,000 in special purpose revenue bonds to assist Pacific Community Health & Wellness, Inc., a not-for-profit Hawaii corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Community Health & Wellness, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Pacific Saging Center, Inc.; SPRBs. (HB379, HD1) Extends to 6/30/08, the authorization of Act 292, Session Laws of Hawaii 1999, to issue up to \$10,000,000 in special purpose revenue bonds to assist Pacific Saging Center, Inc., a Hawaii nonprofit corporation, and its affiliate, with financing: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Saging Center, Inc.'s facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Pacific Sports Medicine and Research Center, Inc.; SPRBs. (HB380, HD1) Extends to 6/30/08, the authorization of Act 181, Session Laws of Hawaii 1999, to issue up to \$30,000,000 in special purpose revenue bonds to assist Pacific Sports Medicine & Research, Inc., a not-for-profit Hawaii corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Sports Medicine & Research Center, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Pacific Wellness Center, Inc.; SPRBs. (HB381, HD1) Extends to 6/30/08, the authorization of Act 281, Session Laws of Hawaii 1999, to issue up to \$5,000,000 in special purpose revenue bonds to assist Pacific Wellness Center, Inc., a not-for-profit corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Wellness Center, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Pacific Women's Center, Inc.; SPRBs. (HB382, HD1) Extends to 6/30/08, the authorization of Act 291, Session Laws of Hawaii 1999, to issue up to \$5,000,000 in special purpose revenue bonds to assist Pacific Women's Center, Inc., a not-for-profit Hawaii corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; and acquisition and installation of additional capital equipment for use in connection with Pacific Women's Center, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

The Queen's Health Systems; SPRBs. (HB645) Authorizes the issuance of up to \$200,000,000 in special purpose revenue bonds to assist The Queen's Health Systems, a Hawaii nonprofit corporation, and its affiliates, in financing the costs of construction of, improvements to, and equipping of health care facilities, including the renovation of existing health care facilities; construction of new health care facilities; acquisition of equipment; acquisition of assets, including land and improvements; acquisition and installation of information systems and technology; and other related projects for The Queen's Health Systems and its affiliates. Lapses on 6/30/08.

Wahiawa-Central Oahu Health Center, Inc.; SPRBs. (HB383, HD1) Extends to 6/30/08, the authorization of Act 180, Session Laws of Hawaii 1999, to issue up to \$40,000,000 in special purpose revenue bonds to assist Wahiawa-Central Oahu Health Center, Inc., a not-for-profit Hawaii corporation, or its affiliate, with financing the: acquisition or leasing of land for a new facility; planning, design, construction, and operation of a new health care facility; or acquisition and installation of additional capital equipment for use in connection with Wahiawa-Central Oahu Health Center, Inc., facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

Wahiawa General Hospital, Inc.; SPRBs. (HB384, HD1, SD1) Extends to 6/30/08, the authorization of Act 179, Session Laws of 1999, to issue up to \$37,000,000 in special purpose revenue bonds to assist Wahiawa General Hospital, Inc., a not-for-profit Hawaii corporation, and its affiliates, with financing or refinancing the following: retirement of outstanding debt on existing health care facilities; retirement of outstanding debt on existing capital equipment used in connection with existing facilities; acquisition or leasing of land for a new facility; plans, design, construction, and operation of a new health care facility; acquisition and installation of additional capital equipment for use in connection with Wahiawa General Hospital, Inc., facilities; or renovation or repair of existing health care facilities. Permits the refunding of bonds at any appropriate time, including after the lapse date.

LONG-TERM CARE

Long-Term Care; Income Tax and Tax Credit. (SB1088, SD2, HD2, CD1) Establishes a long-term care income tax of \$120 for the taxable year beginning after 12/31/04, and annually increases the tax through the taxable year beginning after 12/31/12 in the following amounts: \$144, \$168, \$192, \$216, \$240, \$264, and \$276. Requires, for taxable years beginning after 12/31/12, that the Board of Trustees of the Long-Term Care Financing Program (Board of Trustees) recommend to the 2011 Legislature any adjustment to the amount of the tax substantiated by an actuarial report and opinion. Imposes tax on any taxpayer who has wages withheld under the income tax withholding law, but exempts: (1) unmarried taxpayers (other than a surviving spouse or head of household), estate, trust, or married taxpayers filing individually with gross income less than \$10,000; (2) married taxpayers filing a joint return or head of household taxpayers with gross income less than \$16,000; and (3) taxpayers currently receiving defined benefits for long-term care services as provided pursuant to this measure. Requires employers to withhold the tax from wages. Requires the Board of Trustees to establish a procedure to allow individuals to voluntarily pay the long-term care income tax, if they receive income insufficient to require the filing of a tax return.

Provides for vesting after an individual has paid the long-term care tax for 10 years, and retains vesting status of a vested individual who no longer resides and files taxes in Hawaii but continues to make tax payments. Provides for earning of one-tenth of the defined benefits for each consecutive 12-month period the individual pays the tax. Requires forfeiture of one-tenth of the defined benefit amount for each year of non-payment occurring after 12 consecutive months of non-payment. Allows the estate or heirs of an individual who dies before 1/1/08, to make a claim for reimbursement for the long-term income taxes paid by the deceased individual.

Sets the initial defined benefit for long-term care services at \$70 a day for up to a cumulative period of 365 days, and annually increases the defined benefit for six years after 1/1/09 to: \$72.10, \$74.26, \$76.49, \$78.79, \$81.15, and \$83.58. Authorizes the Board of Trustees to adjust the daily defined benefit from time to time. Begins defined benefit disbursements no earlier than after the third year of collections. Makes the defined benefit primary to private insurance and Medicaid benefits, and prohibits receipt of a defined benefit while receiving Medicare benefits for long-term care. Exempts the defined benefit from imposition of state income tax.

Requires the Director of Taxation to compile annual data on taxpayers subject to the long-term care income tax, payments, and amounts of payments made. Requires the data to be transmitted to the Board of Trustees for recordation and evaluation purposes. Converts the Long-Term Care Benefits Fund into the Long-Term Care Benefits Trust Fund (Trust Fund). Deposits the proceeds of the long-term care income tax into the Trust Fund. Requires disclosure of biographical and tax filing data of every taxpayer that paid the long-term care income tax for recordation and evaluation by the Board of Trustees.

Establishes a long-term care income tax credit in the amount of \$120 for taxable years beginning after 12/31/05, and ending before 1/1/09; and \$180 for taxable years beginning after 12/31/08, and ending before 1/1/14. To qualify for the tax credit, requires taxpayer to have paid the long-term care income tax and premium payments during the taxable year for a long-term care insurance policy. Requires the Board of Trustees to prepare an actuarial report and actuarial opinion, as defined by the Actuarial Standards Board of the American Academy of Actuaries and specifies the information to be included

in the report. Requires the actuarial report to demonstrate solvency for 75 years and be submitted annually to the Governor and Legislature.

Extends the term of service of the Temporary Board of Trustees from 6/30/03, to the time when a permanent Board of Trustees is appointed by the Governor. Requires the Trust Fund to reimburse the General Fund five years after 7/1/05, for the amount of any legislative appropriations for start-up costs of the Trust Fund and the administration of the program. Appropriates \$500,000 to the Department of Taxation for start-up costs to collect the long-term care income tax. Appropriates \$400,000 to the Department of Budget and Finance for start-up costs to administer the long-term care income tax.

MENTAL HEALTH

Mental Health; Insurance Benefits Parity. (SB1321, HD2, CD1) Makes permanent the law mandating parity of serious mental illness insurance benefits with other benefits for physical illnesses and injuries. Amends the definition of "serious mental illness" to replace "bipolar mood disorder" with "bipolar types I and II".

NURSING

Center for Nursing. (HB422, HD2, SD2, CD1) Establishes a Center for Nursing within the University of Hawaii School of Nursing and Dental Hygiene, to address nursing workforce, best practices, recruitment, and retention issues. Establishes an Advisory Board of the Center for Nursing to assist in the development of a mission statement and operational policy and to employ an executive director and no more than two other staff positions, among other things. Requires the Center to collect and analyze data and prepare reports regarding nursing; conduct research on best practices and quality outcomes; and develop a plan for implementing strategies to recruit and retain nurses. Establishes the Center for Nursing Special Fund to support the activities of the Center and excludes the Fund from paying its pro rata share of administrative expenses. Establishes a Center for Nursing Fee assessed upon each nurse upon issuance or renewal of a license. Appropriates \$300,000 for each year of the 2003-2005 fiscal biennium for the Center for Nursing. Appropriates \$5,000 from the Compliance Resolution Fund for fiscal year 2003-2004 into the Center for Nursing Special Fund and requires reimbursement by 7/1/04. Requires the Center to submit a status report to the Legislature before the 2004 Regular Session.

Nursing Education Loan Program. (SB748, SD2, HD2, CD1) Establishes the nursing education loan program, to be administered by the University of Hawaii, to provide financial support to students who complete a state-approved nursing education program and agree to secure employment as a nurse in Hawaii. Establishes loan eligibility on a competitive basis based on need and proof of acceptance into a state-approved nursing education program. Limits the amount of the loan to the cost of tuition, textbooks, and other instructional material required to complete the nursing program. Establishes the loan interest rate at five per cent simple interest. Provides that loan repayment begins one year after graduation or three months after termination of enrollment in the nursing program in periodic installments over six years. Waives one-tenth of the amount of loan and interest every year the student is employed full-time as a nurse. Waives remaining balance after sixth year of repayment. Increases the interest rate to 10 per cent if the student is not employed full-time as a nurse in Hawaii after the six consecutive years following graduation from the nursing program. Authorizes the University of Hawaii to contract with collection agencies to collect on delinquent loans. Establishes the nursing education

loan program special fund to be used by the University of Hawaii to provide loans under the nursing education loan program.

Public Health Nursing Services Program. (SB740, HD2, CD1) Codifies in the HRS the currently existing and operating public health nursing services program within the Department of Health (DOH). Requires the program to: mobilize the DOH's nursing resources and respond to catastrophic and emergency events, communicable diseases, and other public health outbreaks; provide care coordination services to vulnerable populations; provide family services; provide school health services; develop collaborative partnerships to improve the health and safety of families and communities; provide health care services when none are available in the community; and collect and evaluate family and community needs data to improve health services delivery and quality of life for families.

PRESCRIPTION DRUGS AND CONTROLLED SUBSTANCES

Controlled Substances. (HB1217, HD1, SD1, CD1) Updates state controlled substances laws to conform to federal law. Exempts practitioners who maintain a satellite office at which no controlled substances are administered, dispensed, or stocked from separately registering that office with the Department of Public Safety. Provides that prescriptions for Schedule II controlled substances shall not be partially filled more than three times after the initial date of prescription. Reduces the validity period of a prescription for Schedule II controlled substances to a patient in a long-term care facility or a patient diagnosed with a terminal illness, from 60 to 30 days from the issue date. Defines "unlawfully manufacture" as to manufacture, compound, convert, produce, derive, process or prepare, either directly or indirectly by chemical extraction, or independently by means of chemical synthesis, any controlled substance without a valid state controlled substance registration.

Prescription Drugs; Generic Equivalents; Dispensing Procedures. (SB1361, SD2, HD1; Act 56) Defines "brand" or "brand name" as any registered trade name commonly used to identify a drug. Defines "established name" or "generic name" as having the same meaning as provided in section 502(e)(3) of the Federal Food, Drug, and Cosmetic Act. Amends the prescription drug labeling requirements to require a "use by" date (the expiration date on the manufacturer's container or one year from the date the drug is dispensed, whichever is earlier) instead of a potency expiration date, and for an equivalent generic drug product, the statement "same as (brand name of the drug product prescribed or the referenced listed drug name)", or words similar to that effect. Authorizes issuance of electronic prescriptions by out-of-state practitioners or the prescriber's authorized agent. Requires every prescribing practitioner, pharmacist, or medical oxygen distributor to maintain records on the specific drug product dispensed, including its national drug code number or the brand name or established name, the name or common abbreviation of the principal labeler, the product strength, and the dosage form. Replaces references to the "Orange Book" with "compendia of therapeutically equivalent drugs" which is defined to include the Orange Book and federal documentation of federally-approved therapeutically equivalent drugs. Requires practitioners to write the phrase "brand medically necessary" or words of similar meaning to ensure the pharmacist does not substitute an equivalent generic drug. Specifically disallows a pharmacist to substitute an equivalent generic drug product based upon an electronically ordered prescription.

RIGHTS AND PRIVACY

Executive Office on Aging; Disclosure of Medical Records for Reimbursement. (HB512, HD1, SD2, CD2)

Transfers the Executive Office on Aging from the Office of the Governor to the Department of Health for administrative purposes. Allows the disclosure of the medical records of a mental health, mental illness, drug addiction, or alcoholism patient to a health care insurer in order to obtain reimbursement for services rendered to the patient. Exempts from disclosure records subject to Title 42 Code of Federal Regulations Part 2, relating to alcohol and drug abuse patient records. Requires that disclosure be made only if the insurer informs the patient that a claim will be made to the patient's insurer, the patient is afforded an opportunity to pay the reimbursement claim directly, and the patient does not pay.

Informed Consent to Medical Treatments or Procedures; Update. (HB651, HD2, SD1) Authorizes, rather than mandates, the Board of Medical Examiners to establish standards for health care providers to follow in giving information to a patient, or the patient's guardian or legal surrogate if the patient lacks the capacity to give an informed consent, to ensure the patient's consent to treatment is an informed consent.

Requires the following information to be supplied to a patient or the patient's guardian or legal surrogate prior to obtaining consent to a proposed medical or surgical treatment or a diagnostic or therapeutic procedure: (1) the condition to be treated; (2) a description of the proposed treatment or procedure; (3) the intended and anticipated results of the proposed treatment or procedure; (4) the recognized alternative treatments or procedures, including the option of not providing these treatments or procedures; (5) the recognized material risks of serious complications or mortality with the proposed treatment, the recognized alternative treatments or procedures, the risks associated with not undergoing any treatment or procedure; and (6) the recognized benefits of the recognized alternative treatments or procedures.

Defines "legal surrogate" as an agent designated in a power of attorney for health care or surrogate designated or selected in accordance with chapter 327E, HRS. Takes effect 1/1/04.

Peer Support Counseling Sessions; Confidentiality of Communications. (SB1469, SD1) Provides for the confidentiality of any communication made by a participant or counselor in a peer support counseling session, including a critical incident stress management session, conducted by a law enforcement agency or by an emergency services provider. Precludes admissibility or disclosure of such communication in any judicial, administrative, arbitration, or other adjudicatory proceeding. Allows discovery or introduction in evidence of knowledge acquired by any law enforcement officer or emergency services personnel from observations made or material or information acquired during the course of employment. Exempts from the confidentiality provisions, threats of suicide or homicide, information relating to abuse of spouses, children, or the elderly, or other information required by law to be reported, and admissions of criminal conduct.

OTHER ISSUES

Anatomical Gifts. (HB548, HD2, SD1) Makes permanent the laws establishing the Organ and Tissue Education Fee and the Hawaii Organ and Tissue Education Special Fund by repealing the sunset provision of Act 88, Session Laws of Hawaii 1999.

Cancer Examinations. (SB1241, HD2) Replaces provisions which require hospitals to offer a uterine cytologic examination to all female in-patients 20 years of age or older, with provisions that require cancer examinations, including cervical cancer examinations, to be a part of a statewide comprehensive cancer control plan to be developed by the Department of Health. Requires the Department of Health to work with other government agencies, health care providers, health insurers, and others to improve the overall rates of screening, early diagnosis, and treatment of cancer.

Tobacco Fees and Law Enforcement; Refinement; Consolidation of Special Funds. (SB1279, SD2, HD2, CD1) Consolidates the enforcement special funds under the Attorney General by: (1) repealing the cigarette tax stamp enforcement special fund; (2) requiring the tobacco enforcement special fund to be used for administering and ensuring compliance with and enforcement of the cigarette tax stamp, cigarette tax and tobacco tax laws, tobacco products reporting requirements, and any other requirement deemed necessary to carry out the purposes of the fund; and (3) redirecting the portion of fees from cigarette tax stamps designated for the cost of enforcing the stamp tax to the tobacco enforcement special fund. Increases from \$350,000 to \$1,000,000, the maximum amount of unencumbered and unexpended moneys that may remain in the tobacco enforcement special fund at the close of each fiscal year. Clarifies provisions on when funds placed in escrow to cover a tobacco manufacturer's financial obligation under the Master Settlement Agreement may be released back to the manufacturer if the amount escrowed is determined to be in excess of the manufacturer's actual financial obligation. Transfers the excess tobacco enforcement special fund moneys to the state general fund. Appropriates to the Department of the Attorney General \$1,000,000 for each year of the 2003-2005 fiscal biennium for the administration and operation of the tobacco enforcement activities.

Resolutions Adopted

Dialysis Patients; Continuing Partnership Between Hawaii Health Systems Corporation and St. Francis Urged. (HCR82, HD1) Urges Hawaii Health Systems Corporation and St. Francis Healthcare System of Hawaii to continue their current partnership and other agreements for the provision of dialysis services until medical advances and new technology can better serve Hawaii's hemodialysis patients. Urges St. Francis Healthcare System of Hawaii to continue its commitment of resources to the dialysis program to upgrade those services and increase access to dialysis care, particularly on the neighbor islands.

Electronic Death Registration System; Pilot Project. (SR42, SD1) Requests the Department of Health (DOH) to establish a pilot project to demonstrate the efficiency and effectiveness of an electronic death registration system and to pursue federal grants to fund the pilot project. Requests DOH to work in cooperation with the professional trade associations representing physicians and funeral directors in implementing the pilot project and in pursuing federal grants. Requests that the DOH submit a report on the actions taken pursuant to this measure to the Legislature before the 2004 Regular Session.

Health Care Self-Determination; Support. (SR120) Expresses the Senate's support and encouragement for the efforts of the Executive Office on Aging and the Department of Health to develop the Self-Determination Demonstration Project, a two-year demonstration project to evaluate consumer-directed approaches with Hawaii's elders.

Hepatitis C; Development of Strategies to Address Problems. (SCR16, SD1, HD1) Requests the Department of Health (DOH) to address the hepatitis C virus (HCV) and related issues by: (1)

developing a plan to address hepatitis C and work collaboratively with community-based organizations and health providers; (2) conducting surveillance to monitor and evaluate the epidemiology of infection rates for hepatitis C; (3) considering integrating prevention and education activities into state and local public health programs for individuals at greatest risk and assessing the costs related to these activities; (4) considering counseling and screening persons at greatest risk for HCV infection and assessing the costs related to these activities; (5) considering the availability of hepatitis C-related treatment for those cases where treatment is indicated and assessing the costs related to making these services available to those who otherwise would not have access to treatment services; and (6) promoting professional education of health care professionals based on current information concerning diagnosis, medical management, and prevention recently described by the Centers for Disease Control and the National Institutes of Health. Requests the DOH to brief the Legislature prior to the 2004 Regular Session on the content of the strategic plan to address the hepatitis C problem in Hawaii.

Kalaupapa Settlement Operations and Expenditures; Audit. (HCR165, HD1) Requests the Auditor to: conduct an audit of operations and expenditures involving the Kalaupapa Settlement; make recommendations on how moneys appropriated to care for Hansen's disease patients could be best allocated and expended; and report findings and recommendations to the 2004 Legislature. Instructs the Chairpersons of the Senate Committee on Ways and Means and the House Committee on Finance to hold public informational briefings on the Auditor's report.

Medical Errors Reduction; Report. (SR123) Requests the Patient Safety Task Force of the Healthcare Association of Hawaii to submit to the 2004 Legislature a second report on its efforts to reduce medical errors, including proposed legislation for a medical error reporting system.

Mental Health and Alcohol and Drug Abuse Treatment; Mandatory Insurance Coverage; Sunrise Review. (SCR116, SD1, HD1) Requests the Auditor to assess both the social and financial effects of: (1) the mandated coverage proposed under S.B. No. 1321, H.D. 1, which amends the definition of "serious mental illness" in chapter 431M, HRS, by replacing "bipolar mood disorder" with "bipolar types I and II" and including delusional disorder, major depression, obsessive compulsive disorder, and dissociative disorder; and (2) requiring treatment for alcohol dependency and drug dependency, at rates and on terms and conditions no less favorable than those applicable to treatment for medical and surgical conditions currently required to be covered by health insurers. Requests the Auditor to first clarify insufficient detail which may preclude an accurate assessment of social and financial impacts of proposed mandated coverage for mental health and substance abuse. Requests that data collection and analysis include but not be limited to the Hawaii Medical Service Association and the Kaiser Permanente Medical Care Program. Requests that insurers separate data according to mental health and substance abuse utilization, and according to treatment utilization by children, adolescents, and adults, and that data submitted include an analysis of those who have exhausted their mental health or substance abuse treatment benefits, including their two episodes per lifetime treatment limit for substance abuse. Requests that the Auditor consult with the Insurance Commissioner, Department of Health, and all interested parties including the Board of Medical Examiners, Board of Psychology, and representatives of insurance carriers, nonprofit mutual benefit associations, health maintenance organizations, public and private providers, consumers, employers, labor organizations, and state agencies that implement policies under chapter 431M, HRS. Requests the Auditor to submit a report of findings and recommendations to the 2004 Legislature.

Pacific Health Center Master Plan; Support. (SR95, SD1) Urges the Governor, Land Use Commission, and Mayor and Council of the City and County of Honolulu to do everything in their power to expedite implementation of the Pacific Health Center Master Plan.

Public Education Campaign on the Dangers of Crystal Methamphetamine. (SR86, SD1) Requests the Department of Health to launch a renewed public educational campaign to combat the problem of crystal methamphetamine; and to engage in the active participation of the Department of Education, local law enforcement agencies, the Coalition for a Drug Free Hawaii, and private sector public relations, advertising, and marketing industries in the public educational campaign.

Universal Health Care; Interim Working Group Established. (HCR151, HD1, SD1) Forms an Interim Working Group on Universal Health Care (Working Group) to consider the feasibility of providing universal health care in the State. Designates the respective Chairs of the Senate and House Health Committees as the leaders of the Working Group. Designates as members of the Working Group: members of the House of Representatives standing Committees on Health, Human Services, Labor and Public Employment, and Consumer Protection and Commerce; and members of the Senate standing Committees on Health, Human Services, Labor, and Commerce, Consumer Protection, and Housing. Requires that the Working Group request the input and assistance from representatives of various specified government and private agencies. Requests the Working Group to gather information, evaluate the findings of the Hawaii Uninsured Project, and provide possible solutions and proposed legislation on the feasibility of providing universal health care in the State; to look at other alternatives and options to the provision of universal health care coverage such as the establishment of medical savings accounts and the redesigning of the Prepaid Health Care Act (PHCA); to include, as a part of the study, a review of the core health care coverage provided by the PHCA along with estimated costs of such coverage based on current fees, along with suggestions on how the costs should be covered, as well as how such a program would be administered and by whom; and to report findings and recommendations to the Governor and Legislature before the 2004 Regular Session.

HUMAN SERVICES

The Committee on Human Services has jurisdiction over programs relating to public assistance, Medquest, youth services, early childhood education and care programs under the Department of Human Services, and vocational rehabilitation; and programs relating to the promotion of the general well-being of Hawaii's youth, families, and elderly population.

Bills Passed

CARE HOMES AND ELDERS

Adult Residential Care Homes; Inspections; Unannounced Visits. (HB914, HD2, SD1, CD1) Requires the Department of Health to conduct unannounced visits, during or outside of regular business hours, of adult residential care homes and expanded adult residential care homes at least once each year and as needed to ensure the health, safety, and welfare of the care home residents. Requires annual inspections for relicensing to be conducted with notice.

Assisted Living Facilities; Condominium and Cooperative Housing Corporation Projects. (SB1492, SD1, HD2, CD1) Requires the Department of Health and the Real Estate Commission to conduct a study on the impact and feasibility of allowing condominiums and cooperative housing corporation projects to be licensed by the Department of Health as assisted living facilities. Requests that the study: (1) define the term "assisted living services" in light of the special characteristics of condominium and cooperative housing corporation projects; (2) address liability insurance issues and the potential liability exposure of individual owners and the board of directors; (3) discuss how costs for such services could be apportioned to owners; and (4) evaluate whether vendors of such services should be licensed. Requires a report of findings and recommendations before the 2004 Regular Session. Imposes a moratorium on the issuance of any new license for such assisted living facilities until the Legislature acts on the report submitted, or 7/1/04, whichever occurs first.

Community Care Foster Family Homes; Licensing and Regulation. (SB1352, SD1, HD2, CD1) Extends the community care foster family homes licensing and regulation demonstration projects established under Act 273, Session Laws of Hawaii 2001, and appropriates \$65,000 for fiscal year 2003-2004, to conduct criminal history record checks of operators of community care foster family homes. Takes effect on 6/29/03.

Dependent Elder Abuse; Civil Suits by State; Penalties. (SB78, SD2, HD1) Authorizes the Attorney General to file a civil suit on behalf of the State against a caregiver who abuses or neglects a dependent elder, 62 years of age or older, and provides for a fine of not less than \$500 or more than \$1,000 for each day that the abuse or neglect occurred and the costs of investigation. Defines the terms "abuse", "caregiver", "dependent elder", "financial and economic exploitation", and "neglect".

CHILDREN

Caregiver Consent to Education ("Na Tutu" Bill). (SB946, HD2, CD1) Adds a new part to Chapter 302A, HRS, entitled "Full Participation in School Act", to establish procedures under which a caregiver of a minor who lives with the minor, but is not the minor's legal guardian, may execute an affidavit of

caregiver consent (affidavit) to enroll the minor in school and allow the minor to participate in curricular and co-curricular activities, such as field trips and sports. Specifies the information to be included in the affidavit and the signatures required. Requires immediate revocation of the affidavit if the minor no longer resides with the caregiver. Allows the minor's parent, guardian, or legal custodian to rescind an affidavit by so notifying the minor's school principal in writing. Absolves a person who relies in good faith on an affidavit from any obligation to conduct an inquiry or investigation, and provides the person with immunity from civil or criminal liability or professional disciplinary action arising from such reliance. Allows a minor's residency to be determined based on the information in an affidavit. Exempts programs and services provided under the Individuals with Disabilities Education Act (IDEA, 20 U.S.C. 1400 et seq.) or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 791). Establishes that a person executing a false affidavit of caregiver consent shall be subjected to criminal penalties for the commission of perjury. Authorizes the Department of Education to transfer a student to the student's home school if the student is enrolled in another school based on an invalid caregiver affidavit.

Commission on Fatherhood. (SB1423, SD2, HD2, CD1) Establishes a Commission on Fatherhood, within the Office of the Lieutenant Governor for administrative purposes, to provide for a statewide program to promote healthy family relationships between parents and children, by serving in an advisory capacity to state agencies and making recommendations on programs, services, and contracts relating to children and families. Requires that the Commission be composed of 15 members, including the Directors of Human Services and Health, Superintendent of Education, Attorney General, Director of the Office of Children and Youth, and Executive Director of the Office of Youth Services as ex-officio members; one voting member designated by the Hawaii Coalition for Dads, two voting members appointed by the Governor from a list submitted by the President of the Senate, two voting members appointed by the Governor from a list submitted by the Speaker of the House of Representatives, and four voting members appointed by the Governor from the community, for a total of nine voting members, including at least one voting member from each of the counties, who shall each serve a two-year term without compensation. Sunsets on 6/30/05.

Hawaii Missing Children's Clearinghouse Trust Fund; Repeal; Transfer of Funds. (SB637, HD2) Repeals the Hawaii Missing Children's Clearinghouse Trust Fund and transfers the moneys in the fund to the newly-created Friends of the Missing Child Center Hawaii, a Hawaii nonprofit corporation formed for the same express purpose of locating, recovering, and protecting missing children, effective 1/1/04.

Intoxicated Persons Under Age 21; Social Host Liability. (SB1234, SD2, HD1; Act 69) Adds a new part to Chapter 663, HRS, which imposes civil third-party liability for all injuries and damages caused by an intoxicated person under age 21 (underage person) on any adult who: (1) sold or provided alcoholic beverages to the underage person, or (2) knew or reasonably should have known that the underage person was consuming alcoholic beverages on premises owned, occupied, or controlled by the adult, who could have prohibited or prevented such consumption. Expands the prohibition on selling intoxicating liquor to underage persons to include providing intoxicating liquor to such persons. Disallows subrogation claims for liability incurred under this law. Authorizes county liquor commissions to take action against unauthorized purchases of intoxicating liquor. Establishes a minimum fine of \$500 for persons convicted of the same traffic-related offense two or more times within the preceding five-year period. Denies a minor under age 18 under the jurisdiction of the family court who is convicted of certain traffic-related offenses the right to drive a motor vehicle until the age of 18, or subjects the minor to a fine of \$500.

Safe Place for Newborns; Immunity from Prosecution; Immunity from Liability. (HB133, HD1, SD3, CD1)

Adds a new chapter to the HRS entitled "Safe Place for Newborns" to provide immunity from criminal prosecution for child abandonment under section 709-902, HRS, for persons leaving an unharmed newborn at a hospital within 72 hours after birth. Defines "unharmed condition". Allows healthcare providers on the premises of a hospital to receive an unharmed newborn within 72 hours after birth. Provides immunity from civil liability for hospitals and health care providers receiving such newborns. Prohibits the hospital from inquiring as to the identity of the mother or the person leaving the newborn, or from contacting law enforcement before the person leaves the hospital. Requires the receiving hospital to notify the Department of Human Services (DHS) within 24 hours of receiving such newborn. Enables DHS to reunify such newborn with the newborn's parents or relatives, if known. Declares that for purposes of adoption, the newborn shall be classified as an abandoned child, but such abandonment shall not constitute a criminal violation under section 709-902, HRS.

DISABLED PERSONS

Newsline Service for the Blind and Visually Impaired. (SB1647, SD2, HD2, CD1) Appropriates \$43,000 from general funds, for fiscal year 2003-2004, for the Public Utilities Commission (PUC) to continue the Newsline service, a telephonic reading system service that provides the blind and visually impaired toll-free telephonic access to time-sensitive information. Authorizes the PUC to contract with a qualified nonprofit organization to provide the service.

PUBLIC ASSISTANCE

General Assistance; Good Cause Failure to Pursue Treatment Exemption; Established. (HB127, HD1, SD1) Establishes a "good cause" exemption that allows a general assistance recipient with a physical or mental disability to remain eligible for general assistance benefits, if the person fails to pursue medical treatment under certain instances, such as treatment being unavailable, personal emergencies, and circumstances that threaten the safety of the patient. Requires the Department of Human Services to adopt rules to define "good cause".

Medicaid; Emergency Appropriation. (SB1353, HD1; Act 22) Appropriates \$83,865,198 in emergency funds (\$22,726,806 in state funds and \$61,138,392 in other federal funds) for the State's medical assistance program (Medicaid).

HOUSING

Housing and Community Development Corporation of Hawaii (HCDCH) Transfer to Department of Human Services (DHS). (SB1286, SD1, HD2, CD1) Transfers HCDCH from the Department of Business, Economic Development, and Tourism to DHS for administrative purposes, effective 7/1/03.

Resolutions Adopted

CHILDREN

Audit of Child Protective Services System Agencies. (HCR85, HD1, SD1) Requests the Auditor to conduct a program audit of the various state and county agencies involved in the child protective services system statewide, focusing on: (1) communication among the various agencies; (2) training requirements for agency staff; (3) adequacy of caseload size; (4) adequacy of resources in agencies; (5) decision-making in the child protective services system; and (6) addressing certain concerns raised by community organizations and individuals, including the amount of discretion exercised by child protective services (CPS) social workers, having the police instead of CPS conduct investigations, jury trials for accused parents, visitation between parents and children under CPS, lack of cultural sensitivity of CPS doctors, mandatory ohana conferencing, difficulty of obtaining authorization for medical treatment of CPS children, and intervention when perpetrator is nonrelative. Requests that study also include a review of cases of recurring abuse or neglect. Requests report, including specific recommendations for an effective child welfare system, before the 2004 Regular Session.

Requests the Auditor to review existing state and federal laws relating to child abuse and the child protective services system and to investigate alleged repeated violations of certain state and federal laws and regulations by CPS personnel. Requests report, including findings on the alleged violations, before the 2004 Regular Session.

Foster Children; Continuation of Services After Closure of the Casey Family Programs' Hawaii Offices; Ad Hoc Committee Established. (SCR93, SD1) Requests the formation of an ad hoc public-private partnership committee, convened by the Friends for Foster Kids and including representatives from the Departments of Health and Human Services and the Family Court, to explore alternative options for continuing to provide high quality services for foster children following the closure of the Casey Family Programs' Hawaii offices. Requests a report to the Legislature before the 2004 Regular Session.

Hawaii State Preschool Content Standards; Adopted. (SCR45, SD1) Endorses as state policy the Hawaii State Content Preschool Standards, including guiding principles for early childhood standards and assessment, developed by the Good Beginnings Interdepartmental Council's School Readiness Task Force. Requires the Standards to correspond to the Department of Education K-12 curriculum standards and the National Head Start Outcomes, as requested by the federal government for Hawaii's Child Care and Development Fund plan. Requires Standards to be consistent with guidelines in the joint position statement by the National Association of Young Children and Early Childhood Specialists in State Departments of Education.

Head Start Program; Congressional Recognition and Support Urged. (HCR208) Urges Congress to recognize the meritorious aspects and successes of the Head Start program (Head Start); maintain funding for Head Start at the highest possible level; and reject any proposals to transfer oversight of Head Start from the U.S. Department of Health and Human Services to the U.S. Department of Education or to limit the scope of Head Start.

Services for Young Children and Families; Coordination and Expansion; Statewide Interagency Task Force; Established. (SCR13, SD1) Requests the Governor to establish a statewide interagency task force to develop an implementation plan for the coordination and expansion of services provided to young children and their families through the Healthy Start program, by: (1) identifying the problems caused by fragmentation and lack of coordination between the Healthy Start program and Child

Protective Services; (2) identifying duplicative services, gaps in services, and unserved populations; (3) developing recommendations for coordination of assessment, intervention, and treatment services between Child Protective Services and the Healthy Start program; (4) developing a four-year plan of targeting services to gap groups; and (5) developing an interagency agreement to implement the four-year plan. Designates the Director of Human Services as chair, and requires that members include representatives from the Departments of Health and Human Services, the Judiciary, Healthy Start, the Alliance for Health and Human Services, the Child Protective Services Citizen Review Panels, current or former clients of the Healthy Start and Child Protective Services programs, Child Welfare Services Advisory Councils, Good Beginnings Alliance, Like a Child, the Hawaii Children's Trust Fund, Blueprint for Change, the Consuelo Zobel Alger Foundation, and the Child-at-Risk Evaluation program. Requires a report of findings and recommendations and a four-year plan to the Legislature before the 2004 Regular Session.

PARENTING

Graduated Parenting Task Force. (SCR12) Requests the Department of Health (DOH) to convene a task force to develop a plan for a graduated parenting program in the public schools. Requires that the task force be comprised of representatives from DOH, Departments of Education and Human Services, University of Hawaii Center on the Family, Good Beginnings Alliance, Hawaii State Parent Teacher Student Association (PTSA), Hawaii Association of Independent Schools, West Hawaii Family Center, Molokai Family Support Center, Kaneohe Community Family Center, KEY Project Family Center, Kuhio Park Terrace Family Center, Hale Halawai Ohana O Hanalei, PARENTS, Inc., and the Hawaii Children's Trust Fund. Requires a report of findings and recommendations to the Legislature before the 2004 Regular Session.

Parent-Friendly Businesses; Legislative Awards Programs Established. (SCR130, SD1) Establishes a legislative awards program to recognize businesses with parent-friendly policies. Requires the President of the Senate and the Speaker of the House of Representatives to appoint designees to develop, coordinate, and implement the awards program.

PUBLIC ASSISTANCE

Allowance Formulas; Review. (SR102, SD1) Requests the Department of Human Services (DHS), with the assistance of its Financial Assistance Advisory Committee and the Departments of Business, Economic Development, and Tourism and Labor and Industrial Relations, to prepare a report of findings, cost implications, and recommendations for appropriate public policies for the State to use in determining public allowance formulas for financial assistance programs administered by the DHS, including Temporary Assistance to Needy Families (TANF), General Assistance (GA), Aged, Blind, and Disabled (ABD), and Temporary Assistance to Other Needy Families (TAONF). Requires a report before the 2004 Regular Session. Requests DHS to review the "Family Economic Self-Sufficiency Standard" study released in April 2003, by the Hawaii State Commission on the Status of Women, for purposes of preparing the report.

Cost-Effective Health Care Services for Low-Income Medicaid-Eligible and Uninsured; Public-Private Partnerships, Feasibility Study. (SR135, SD1) Requests the Departments of Human Resources Development (DHRD), Human Services (DHS), and Labor and Industrial Relations (DLIR) to collaboratively explore the feasibility of entering into public-private partnerships to provide cost-

effective health care services to low income, Medicaid-eligible, and uninsured individuals and government employees. Requests the departments to collaborate with the following entities: (1) Workers Compensation Division, DHRD; (2) Disability Compensation Division, DLIR; (3) Vocational Rehabilitation Services for the Blind Division, DHS; (4) public sector labor unions; (5) insurance companies; (6) Hawaii Services for the Disabled, Inc., and other organizations that have successfully implemented innovative approaches to cost-effective health care services delivery for their respective target populations; and (7) the Hawaii Uninsured Project. Requests a summary of findings and recommendations before the 2004 Regular Session.

Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau; Financial Reimbursement for Services Provided to Citizens. (HCR62, HD1, SD1; SR36, SD2) Requests the Bush Administration and the U.S. Congress to: (1) provide adequate financial impact assistance to reimburse states for services provided to citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau (collectively, the Freely Associated States) who have migrated to Hawaii; and (2) amend federal law to allow or restore Freely Associated States citizens' eligibility for federal public assistance programs, including food stamps, Medicaid, and Medicare. Requests Hawaii's congressional delegation to introduce legislation to further review the migration issue and to increase federal assistance for the educational, health care, and social services impacts of the Compact of Free Association and any newly-renegotiated Compact, and to assure financial reimbursements for services provided to Freely Associated States citizens residing in Hawaii through the establishment of a trust, escrow, or set-aside account.

Medicaid/QUEST; Requesting Restoration of the Disproportionate Share of Hospital Payments; Improving Access to Mental Health Services. (HCR203, SD1) Requests the Department of Human Services (DHS) to immediately solicit the active involvement of Hawaii's Congressional delegation to aggressively advocate for the restoration of Disproportionate Share of Hospital, or equivalent, payments to compensate Hawaii hospitals for care provided to the uninsured. Requests DHS, together with the Department of Health (DOH), to review existing policies and procedures and to work with mental health provider and advocacy agencies to improve access to appropriate mental health services for Medicaid and QUEST participants. Requests DHS and DOH to jointly report findings and recommendations, including how the State can increase federal Medicaid and QUEST funding and proposed legislation, before the 2004 Regular Session.

JUDICIARY AND HAWAIIAN AFFAIRS

The Committee on Judiciary and Hawaiian Affairs has jurisdiction over programs relating to the courts; crime prevention and control, including juvenile justice matters; criminal code revision; statutory revision; campaign spending and elections; constitutional matters; the Attorney General, Public Defender and Judiciary; government records and information practices; individual rights and civil liberties; public safety and corrections; and Hawaiian affairs, including the Office of Hawaiian affairs, sovereignty, and Hawaiian homestead lands.

Bills Passed

I. Judiciary

COURTS

Court Costs; Payment with Debit Cards. (HB815; Act 5) Authorizes court costs, fees, bond forfeitures, fines, expenses, and other charges owed to the courts to be paid through the use of debit cards in addition to credit cards. Requires bail postings and driver's license and vehicle registration clearances to be paid in cash. Allows the court to pay a service fee associated with the use of a credit or debit card.

Court Costs and Fees; Exemption; Domestic Violence Cases. (HB1116, HD1, SD2; Act 65) Exempts persons subject to domestic abuse, abuse of family or household members, stalking, or sexual assault from paying court costs and fees related to obtaining and issuing a protection order, a petition for a protection order, warrant, or witness subpoena issued for the purpose of preventing violent or threatening acts or harassment against, or contact or communication with or physical proximity to, another person. Defines "protection order".

Court Fees; Administrative Costs for Civil Filings. (SB1134, SD1, HD1, CD1) Creates new court fees for administrative costs in district and circuit court for the processing of all civil filings, except those brought by the State or counties, those commenced by petition for a temporary restraining order, and those in commenced and conducted in small claims division. Sets the district court fee at \$20 and the circuit court fee at \$50. Requires administrative fees and circuit court fees to be deposited into the judiciary computer system special fund.

Family Court; Surcharge Fee. (SB1139, SD1, HD1; Act 41) Increases the surcharge fee from \$35 to \$50 in matrimonial actions where either party has a minor child, or for a family court proceeding. Allows court to collect the surcharge subsequent to the filing if the surcharge was initially waived, and allows the subsequent surcharge to be assessed from either party or apportioned between both parties. Allows the court to assess a surcharge against a person who initially had fees waived if the court subsequently determines that a party has the financial ability to pay the surcharge. Repeals provision allowing the court to request any respondent in a matrimonial action with a minor child to make a \$15 donation to the parent education special fund. Limits surcharge to one surcharge per case. Clarifies that parent education special fund is to be used solely for educating separating parents in matrimonial actions and parties in parentage actions and their minor children.

Judicial Salaries; Judicial Salary Commission Determination. (SB1333, SD1, HD2, CD1) Requires the Judicial Salary Commission (Commission) to determine, effective 7/1/04, and every eight years thereafter, the salaries of the administrative director and the deputy administrative director, supreme court justices, intermediate appellate court judges, circuit court judges, and district court judges unless disapproved by the Legislature. Attaches the Commission to the Judicial Council for administrative purposes. Requires that the membership include one member appointed by the Governor, two members appointed by the President of the Senate, and two members appointed by the Speaker of the House of Representatives. Allows the Commission to seek assistance from any other agency in conducting its review of salaries, and to establish different salaries for the chief justice, supreme court justices, chief appellate court judge, associate court judges, circuit court judges, and district court judges, and different salaries or salary ranges for appointed administrative officers. Requires the Commission to convene in the month of November 2003, and every eight years thereafter, and to submit a report to the Legislature not later than the 40th legislative day of the Regular Session of 2004, with salary recommendations to take effect July 1 of the following fiscal year unless disapproved by the Legislature through the adoption of a concurrent resolution approved by a simple majority of each house. Provides review and resubmittal of proposed salary increases procedures for the Commission if the Legislature rejects the recommendations.

Judiciary Appropriations Act of 2003. (HB808, HD1, SD2, CD1) Provides the necessary appropriations and authorizations for the operation of and capital improvements for the Judiciary for fiscal biennium 2003-2005. Provides a total of 18 positions and \$1,440,895 in general funds for fiscal year 2003-2004, and 27 positions and \$1,737,029 in general funds for fiscal year 2004-2005. Increases total funding, including collective bargaining cost items, by \$11,751,469 in fiscal year 2003-2004 and \$12,047,603 in fiscal year 2004-2005. Provides funding for the Intermediate Court of Appeals for eight positions and \$613,744 for fiscal year 2003-2004, and eight positions and \$564,220 for fiscal year 2004-2005. Provides funding to provide access to qualified court interpreters, totaling \$91,000 in fiscal year 2003-2004 and \$91,000 in fiscal year 2004-2005. Provides funding to the Juvenile Drug Court program for the First Judicial Circuit, of \$574,420 in fiscal year 2003-2004 and \$564,420 in fiscal year 2004-2005. Funds non-discretionary priorities of: (1) \$143,533 for each fiscal year for the Hawaii State Law Library System for subscriptions and books; (2) \$18,198 for fiscal year 2003-2004 and \$29,690 for fiscal year 2004-2005 for risk management costs; and (3) nine positions and \$344,366 for fiscal year 2004-2005 for the new Kauai courthouse operations and maintenance expenses. Provides \$3.155 million for capital improvements to Judiciary facilities over the biennium.

Traffic Citations, Court Fees; Deposit into Judiciary Computer System Special Fund. (SB1135, SD1, HD1, CD1) Requires district court fees collected for administrative costs from traffic citations be deposited into the judiciary computer system special fund. Appropriates \$7,000,000 from the judiciary computer system special fund for fiscal biennium 2003-2005, to implement the judiciary information management system.

Traffic Infractions; Prepaid Postage. (HB814; Act 4) Deletes the requirement that a preaddressed envelope, included with a notice of a traffic infraction for use when submitting an answer, include prepaid postage.

CIVIL LAW

Claims Against the State; Appropriation. (HB1111, HD2, SD2, CD1; Act 58) Makes appropriations to satisfy claims against the State or its officers or employees for legislative relief for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

Claims Against the University of Hawaii; Appropriation. (SB1410, SD1, HD1) Makes an appropriation out of the University of Hawaii tuition and fees special fund to UOH 900 – University of Hawaii, system wide support, to satisfy claims for legislative relief for claims against the University of Hawaii or its officers or employees for payments of judgments or settlements of cases specified in the measure.

Contested Cases; Mediation Allowed. (SB1075, SD1, HD1; Act 76) Allows a public agency to encourage parties to a contested case hearing to participate in mediation prior to the hearing, and to suspend further proceedings pending the outcome of the mediation. Limits mediation period to 30 days unless extended by the agency. Allows parties to jointly select a mediator. Provides that if the parties fail to select a mediator within 10 days of referral to mediation, then the public agency shall select a mediator. Requires parties to the mediation to equally share in the costs of the mediation proceeding, unless otherwise provided for in law. Disallows the use of mediation statements made or settlement offers tendered in any subsequent proceedings involving the contested case. Excludes meetings, briefings, and sessions associated with the mediation from the definition of the term "meeting" under the State's public agency meeting law. Declares that mediator notes from such proceedings are not subject to the Uniform Information Practices Act or to being procured as a government document. Exempts evidence provided in such mediation proceedings from the evidentiary requirements of chapter 91, HRS.

Joint Tortfeasor Release; Settlements. (HB980, HD1, SD1, CD1) Replaces the term "party" with "joint tortfeasor or co-obligor" in the Uniform Contribution Among Tortfeasors Act. Provides an exception to the contents required in a petition to the court for a hearing to determine the issue of good faith of a settlement where a settlement includes a confidentiality agreement. Excepts claims based on a written indemnity agreement from a determination by the court that a settlement was made in good faith. Requires that a determination by a court that a settlement was made in good faith to result in a dismissal of all cross-claims filed against the settling joint tortfeasor or co-obligor, except those based on a written indemnity agreement.

Medical Claim Conciliation; Alternative Dispute Resolution Process Authorized. (SB1324, SD1, HD2, CD1) Requires any claim filed with the Medical Claim Conciliation Panel (Panel) to be accompanied by a certificate which makes specified declarations as to whether or not the claimant or the claimant's attorney consulted at least one licensed physician knowledgeable or experienced in the same medical specialty as the person against whom the claim is made. Exempts from the certification requirement, claims involving a physician's failure to inform a patient of the consequences of a procedure (informed consent). Provides that disclosure of the name of any physician consulted, need not be made in the certificate and prohibits disclosure to any other party to the claim, but allows the Panel to obtain the physician's name and to contact the physician. Allows any claim initially filed with the Panel to be subsequently submitted to an alternative dispute resolution (ADR) provider upon written agreement of all the parties and with the written approval of the Director of Commerce and Consumer Affairs. Allows a party to resubmit a claim to the Panel if the other party failed to comply with the ADR procedures. Requires an ADR resolution provider to notify all parties to a claim within 30 days of the completion of the ADR process. Allows claimant to pursue litigation if the parties were unable to resolve the entire claim through the ADR process and the matter has not been resubmitted

to the Panel, or the claim has not been resolved through the ADR process after 12 months has lapsed from the time the claim was filed with the ADR provider. Prohibits the use of any statements made by parties to the ADR process, or any decision, finding, conclusion, or recommendation on the issues of liability or damages of the ADR provider in any subsequent judicial proceeding. Decreases from 18 to 12 months the time period in which a claim must be adjudicated by the Panel. Takes effect on 9/1/03.

Mortgage Foreclosures; Appeals. (HB1076, HD1, SD1) Provides that certain orders entered in a foreclosure are final and appealable, in a manner as provided by rules of court, including, with specified conditions, judgments entered on a decree of foreclosure; judgments entered on an order confirming the sale of the foreclosed property; and deficiency judgments. Does not limit appellate jurisdiction over matters properly brought before the appellate courts such as the Supreme Court's recognition of appellate jurisdiction over an order denying a motion brought under Rule 60(b) of the Hawaii Rules of Civil Procedure.

CRIMINAL LAW

Assault Against Law Enforcement Officers; New Offense Created. (SB1275; Act 66) Creates a new offense of assault against a law enforcement officer in the second degree if the person recklessly causes bodily injury to a law enforcement officer engaged in the performance of duty; makes it a misdemeanor; and specifies mandatory sentence of not less than 30 days without possibility of probation or suspension of sentence. Amends the current offense of assault against a police officer by: (1) changing the offense to assault against a law enforcement officer in the first degree; (2) deleting recklessness as an element of the offense when causing bodily injury to a law enforcement officer; (3) adding recklessness as an element of the offense when causing bodily injury to a law enforcement officer with a dangerous instrument; (4) making it a class C felony; and (5) specifying a sentence of up to five years imprisonment, or five years probation with minimum prison term of 30 days without possibility of suspension of sentence.

Criminal History Record Checks; Uniform Standards and Procedures; Working Group, Continuation. (SB830, SD1, HD3, CD1) Repeals part III of chapter 846, HRS, relating to background checks and establishes uniform criminal history record checks procedures in relevant chapters of the Hawaii Revised Statutes for: (1) applicants to the State or any county for a position that has contact with children, dependent adults, or persons committed to a correctional facility; (2) applicants for a liquor license; (3) persons employed or seeking employment in any public or private school position, including teacher trainees, that places them in close proximity to children; (4) persons seeking employment to serve as providers or subcontractors, in positions that place them in direct contact with clients when providing non-witnessed direct mental health services on behalf of the child and adolescent mental health division; and (5) applicants for employment as a security guard or manager or for a position that would allow the employee access to corporation funds.

Amends the law relating to the Hawaii Criminal Justice Data Center, to: (1) authorize certain specified agencies and entities to conduct state and national criminal history record checks to determine suitability or fitness to permit, license, or employ; (2) require submission of fingerprints to the Federal Bureau of Investigation for a national criminal history record check and to the Hawaii Criminal Justice Data Center for a state criminal history record check, including non-conviction data; and (3) restrict criminal history record information to be used exclusively for the stated purpose for which it was obtained. Clarifies the authority of an employer to inquire into conviction records for purposes of employment practices law to: (1) allow an employer to consider the employee's conviction record

falling within most recent 10-year period, excluding periods of incarceration; (2) allow inquiry into a prospective employee's record only after a conditional job offer is made; and (3) exclude certain employers who are expressly permitted to inquire into an individual's criminal history for employment purposes pursuant to federal or state law from these restrictions.

Clarifies Uniform Act on Status of Convicted Persons to allow the State or counties to deny employment or any occupational or business permit, license, registration or certificate when a person has been convicted of a crime within the past 10 years (excluding any period of incarceration and expunged crimes) that bears a rational relationship to the duties and responsibilities of the occupation, trade, vocation, profession, or business.

Allows a person who applies for a civil service position and is denied employment in that position on the basis of a criminal conviction under the section, to appeal the decision to the Civil Service Commission or Merit Appeals Board.

Extends the life of criminal history checks working group to 6/30/05, and includes the Public Defender in the working group. Requires the working group to submit a report to the Legislature before the 2005 Regular Session, with administrative support jointly from the Department of the Attorney General and Department of Human Resources Development upon request from the working group. Requires the Legislative Reference Bureau to provide technical assistance to the working group in drafting legislation.

Criminal Injuries Compensation. (HB1003, HD1, SD2, CD1) Allows the Crime Victim Compensation Commission to make an irrevocable transfer of an award of compensation to an appropriate state agency, adult, or trust company as custodian for the benefit of the minor awarded the compensation. Amends definition of "victim" under the criminal injuries compensation law to include a child or a person who is 60 years or older who is a witness to the enumerated crimes under existing law, and in need of mental health counseling services. Adds to the list of situations under which the Commission is authorized to order compensation: (1) cases involving death or sexual assault, mental health counseling services for the surviving relatives; and (2) cases involving an enumerated crime, mental health counseling services to or for the benefit of a child witness or a witness who is 60 years of age or older.

Changes "pain and suffering" to "acknowledgment of harm" as a criterion for award of compensation. Adds to the list of expenses and losses that may be covered by compensation payments: (1) expenses actually and reasonably incurred for mental health counseling services for surviving relatives in cases involving death or sexual assault; and (2) expenses actually and reasonably incurred for mental health counseling services for a child witness or a witness who is 60 years of age or older. Exempts Commission staff from the civil service law, but maintains civil service status of positions occupied by civil servants as of the effective date of this measure. Requires the Judiciary to provide information showing its compliance with collecting the compensation fee assessed against every convicted defendant, for purposes of the Commission's annual report to the Governor and the Director of Public Safety. Amends the escheat, sentencing, and forfeiture laws to provide that if the victim who is awarded compensation cannot be located, any restitution moneys ordered by the court may be deposited to the credit of the crime victim compensation special fund.

Criminal Property Damage; Definition. (SB368; Act 19) Amends the definition of criminal property damage in the first or second degree, by adding "knowingly" as an alternative state of mind under

which a person may be convicted. Currently, state law requires that a person "intentionally damages the property of another".

Drug Nuisance Abatement Unit Established. (HB297, HD2, SD2, CD1; Act 63) Establishes a drug nuisance abatement unit within the Department of the Attorney General to provide for the effective enforcement and prosecution of violations of drug nuisance abatement laws that involve violations of drug and intoxicating compound laws. Authorizes the unit to review and take appropriate action on drug nuisance complaints from citizens or from discovery by the unit in the course of its activities. Authorizes use of funds from the criminal forfeiture fund for the payment of expenses of the unit. Appropriates \$100,000 for FY 2003-2004, and the same sum for FY 2004-2005, to the Attorney General for the establishment and implementation of the unit.

Expungement of Juvenile Arrest Records. (HB1022; Act 6) Clarifies the law regarding expungement of juvenile arrest records when the matter was not referred to the prosecuting attorney or the family court by requiring that either: (1) the person was not counseled and released by the police, or (2) the person was counseled and released by the police and the person has become an adult.

Hate Crimes; Gender Based. (SB616; Act 33) Applies the term of imprisonment provision under the State's hate crimes law where the victim was targeted due to the person's actual or perceived gender identity or expression. Defines "gender identity or expression" as a person's actual or perceived gender, as well as a person's gender identity or gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether or not it is different from that traditionally associated with the person's sex at birth.

Judicial Council of Hawaii; Criminal Charging Procedures, Task Force Study. (SB617) Requires the Judicial Council of Hawaii to convene a task force to engage in a comprehensive review of criminal charging procedures and recommend statutory amendments to the Legislature, and other duties relating to charging procedures. Requires findings to provide the Legislature with factual information, the national experience, and "best practices" to develop the most appropriate criminal charging procedures. Specifies membership of the task force. Requires the task force to report to the Legislature before the 2004 Regular Session.

Murder and Attempted Murder; Extreme Mental or Emotional Disturbance Defense. (SB1274, SD1, HD1, CD1; Act 64) Amends the law which permits a first or second degree murder to be reduced to manslaughter using extreme mental or emotional disturbance as a defense by: (1) changing the defense from a standard to affirmative defense; (2) requiring a reasonable person standard for such defense; and (3) allowing use of same defense and standard for reducing attempted murder to attempted manslaughter.

Offenses Against Public Order; Offensively Course Behavior, Covert Recording or Broadcasting of a Person's Intimate Areas. (SB1107, SD1, HD1; Act 48) Adds as an offense of disorderly conduct, the act of subjecting another person to offensively course behavior. Amends the offense of violation of privacy in the first degree to allow the court to order the destruction of any recording made in violation of the section. Adds as an offense of violation of privacy in the second degree, the act of covertly recording or broadcasting an image of another person's intimate area underneath clothing by use of any device in a public place and without the person's consent, and defines "intimate area", "intimate areas underneath clothing", and "public place". Allows court to order the destruction of any recording made in committing a violation of privacy offense. Defines "record" to mean to videotape, film, photograph, or archive electronically.

Promotion of Controlled Substances in Public Parks. (HB564, SD1, CD1; Act 70) Adds "public parks" to the list of places where the offense of promoting a controlled substance in, on, or near schools or school vehicles occurs.

Sexual Assault; Age of Consent; Collection of Data; Sexual Offender Registration. (HB562, SD1, CD1; Act 62) Repeals the sunset of Act 1, 2nd Special Session SLH 2001, to make permanent the law regarding age of consent for purposes of sexual assault in the first and third degrees for a person who knowingly engage in sexual penetration with a minor who is at least 14 years old but less than 16 years old, if the offender is not less than five years older than and is not married to the minor. Requires Attorney General to collect data generated as a result of the recommendations of the task force, created by Act 1 to review the effectiveness of the Act, and report findings to the 2004 Legislature. Clarifies sex offender registration requirements. Requires sex offender to sign, at time of registration or change of registration information, a statement verifying that all registration information is accurate and current. Requires a sex offender, regardless of residency, who remains in this State for more than 10 days or for an aggregate period exceeding 30 days in a calendar year, to register with the county police in the area within three working days upon arrival, release from incarceration, release from commitment, release on furlough, placement on parole, or arrival in a county in which the sex offender resides or expects to be present for a period exceeding 10 days. Allows the court, upon petition by a sex offender, to modify its order for lifetime public release of the offender's relevant information upon showing by clear and convincing evidence that the offender suffers an extraordinary physical disability that prevents the offender from committing future sexual offenses.

Stalking Laws; Nonconsensual Contact. (SB933, SD1, HD1, CD1; Act 68) Provides that the offense of aggravated harassment by stalking is committed if the perpetrator commits the offense of harassment by stalking and has been previously convicted of harassment by stalking within five years of the instant offense. Provides that the offense of harassment by stalking is committed by engaging in a course of conduct involving pursuit, surveillance, or non-consensual contact upon the other person on more than one occasion without a legitimate purpose. Defines "non-consensual contact" as any contact that occurs without that individual's consent or in disregard of that person's express desire that the contact be avoided or discontinued, including direct personal visual or oral contact and contact via telephone, facsimile, or electronic mail transmission. Repeals the petty misdemeanor offense for a single occurrence of a prohibited conduct, thereby making harassment by stalking a misdemeanor.

ELECTIONS

Office of Elections; Help Vote America Act; Appropriation. (HB1255, SD2, CD1) Appropriates \$50,000 for fiscal year 2003-2004 to the Office of Elections to meet the five percent federal matching fund requirement of the Help America Vote Act of 2002.

Office of Elections, Campaign Spending Commission, Elections Appointment and Review Panel; Transfer to Department of Accounting and General Services; Removal of Chief Election Officer. (HB401, HD1, SD1) Requires that the Elections Appointment and Review Panel have good cause to remove the Chief Election Officer. Transfers the Office of Elections, Campaign Spending Commission, and Elections Appointment and Review Panel from the Lieutenant Governor's Office to the Department of Accounting and General Services.

Publication of Proposed Constitutional Amendments. (HB1276, HD1; Act 8) Requires the clerks of each house of the Legislature, instead of the Chief Election Officer, to publish the text of a proposed constitutional amendment in accordance with the State Constitution.

Social Security Numbers in Poll Books Prohibited. (SB685; Act 23) Prohibits the inclusion of any person's social security number in the poll book which each registered voter must sign before voting at the polling place.

PUBLIC SAFETY

Correctional Facilities; Development or Expansion. (HB857, SD2) Requires the Governor to accept public comments for a period of 60 days following public notification of the assessment or statement for an environmental assessment or environmental impact statement for a proposed site or the expansion of an existing correctional facility, or for the development or expansion of a private in-state correctional facility. Expands the power of the Governor, with the assistance of the Director of Public Safety, to negotiate for the development of private in-state correctional facilities or public in-state turnkey correctional facilities to include the expansion of such facilities as well.

Correctional Facilities; Halawa Correctional Facility Development. (HB298, HD2, SD2, CD1) Directs the Executive Branch to initiate the process to develop the undeveloped portion on the site of the Halawa correctional facility for a new correctional facility. Requires the development process to include soil tests and negotiations with any qualified private entity for the development of a private, in-state correctional facility to replace the Oahu Community Correctional Center. Requires the development to begin no later than 6/30/08. Further directs the Executive Branch to initiate the preparation of a feasibility and planning study for the future use, disposition, or development of the existing Oahu Community Correctional Center site. Requires opportunity for public review and comment by the surrounding community, prior to its completion of the study. Requires the Governor to report to the Legislature on progress of negotiations and development of an in-state correctional facility, before the Regular Sessions of 2004 to 2009.

Department of Public Safety; Reorganization Study. (SB1393, SD2, HD1, CD1) Requires the Director of Public Safety (Director) to conduct a study on the feasibility of dividing the Department of Public Safety (DPS) into a Department of Corrections and a Department of Law Enforcement. Establishes parameters of the study. Requires the Director, upon finding that dividing the DPS is feasible, to also include information on how to achieve the division and the impacts associated thereto. Requires that the Director report to the Legislature before the 2004 Regular Session.

Hawaii Paroling Authority; Powers of the Administrative Secretary and Designee. (HB1220; Act 7) Authorizes the Administrative Secretary of the Hawaii Paroling Authority, or the Administrative Secretary's designee, to issue warrants for the arrest and the return to custody of paroled prisoners.

OTHER MEASURES

Auditor; Access to Confidential Information. (SB474, SD2, HD1) Designates the Office of the Auditor (Auditor) as an authorized representative of the Department of Education and Department of Health, a state education authority, or a state educational official, and authorizes access by the Auditor to any student or other records necessary in connection with any audit or evaluation of any federal or

state supported educational program or enforcement of the federal or state legal requirements which relate to the educational programs. Requires that data collected by the Auditor be protected in a manner that will not permit the personal identification of students and their parents by anyone other than the Auditor, and that personally identifiable data be destroyed when no longer needed for the audit, evaluation, or enforcement of federal or state legal requirements. Repeals authority granted to the Auditor under this measure on 6/30/05.

Statutory Revision Measure. (HB652; Act 3) Amends, reenacts, or repeals various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii to correct errors and references, clarify language, and delete obsolete or unnecessary provisions.

Tobacco; Stamping, Product Reporting. (SB1267, HD2, CD1; Act 77) Makes it a class C felony for an entity, beginning December 1, 2003, to affix a stamp to a package or container of cigarettes of a tobacco product manufacturer or brand family not included in the directory, or to import, sell, offer, keep, store, acquire, transport, distribute, receive, or possess for sale or distribution cigarettes of a tobacco product manufacturer or brand family not included in the directory. Requires seizure, forfeiture, and destruction of unlawful products. Defines "brand family", "cigarette", "tobacco product manufacturer", "directory", and "entity". Requires a nonresident or foreign nonparticipating manufacturer that has not registered to do business in this State to, as a condition precedent to having its brand families listed or retained in the directory, to appoint and continually engage the services of an agent in the United States to act as an agent for service of process for purposes of the tobacco products reporting law (chapter 486P, HRS) and the Tobacco Liability Act (chapter 675, HRS).

Requires every tobacco product manufacturer whose cigarettes are sold in this State to execute and deliver a certification to the Attorney General no later than 9/30/03, and no later than the 30th of April each year thereafter, certifying that the manufacturer is either a participating manufacturer or is in full compliance with the requirements of the Tobacco Liability Act. Specifies the information to be included in the certification, and requires the manufacturer to maintain, for five years, invoices and documentation of sales relied upon for certification procedures. Requires the Attorney General to develop and make available, by 11/1/03, to the public for inspection and to update as needed, a directory that includes a list of all tobacco product manufacturers that have provided a current and accurate certification. Specifies the types of information to be maintained and provided to the Attorney General by every licensed entity. Provides for permissible uses of information obtained by the Attorney General under the tobacco products reporting law, and defines, "brand family", "Master Settlement Agreement", "nonparticipating manufacturer", "participating manufacturer", "qualified escrow fund", and "units sold".

Expands the law prohibiting sale of export cigarettes to add that it is also unlawful for an entity to possess, keep, store, retain, transport, sell, or offer to sell, distribute such cigarettes and authorizes seizure and confiscation of any unlawful products. Amends penalty provision under the tobacco products reporting law to: (1) add "importing as a ground for civil action brought by the Attorney General; and (2) allow the Attorney General to apply for a temporary restraining order or permanent injunction.

Unclaimed Property; Notice Requirements. (HB1155, HD1, SD1; Act 74) Requires that public notice of abandoned property be given by posting on the State of Hawaii, Department of Budget and Finance Internet website, publication in a daily or weekly publication of statewide circulation, or any other method deemed effective by the Director of Finance.

Unclaimed Property Trust Fund. (HB1154, HD1, SD2, CD1) Provides that all moneys collected by the unclaimed property program from holders of property presumed abandoned and all proceeds from the sale of unclaimed property, less costs, are to be deposited into the unclaimed property trust fund (trust fund). Specifies uses for the unclaimed property trust fund moneys. Requires moneys in the trust fund be invested by the Director of Finance and all investment earnings be deposited into the general fund. Raises the lapsing ceiling for moneys to be lapsed from the trust fund into the general fund from \$1,000,000 to \$1,300,000. Repeals section 523A-23, HRS, relating to the deposit of moneys into the trust fund.

II. Hawaiian Affairs

Hawaiian Registry. (SB1156, HD2) Requires the Office of Hawaiian Affairs to establish and maintain a registry of all Hawaiians wherever they reside, based on genealogical records sufficient to establish the person's descent from the aboriginal people inhabiting the Hawaiian islands in 1778.

Kikala-Keokea, Development of Infrastructure; Extension of Appropriations. (SB1413, HD1; Act 43) Extends from 6/30/03 to 12/31/04, the date by which the Department of Land and Natural Resources has to expend unexpended or unencumbered funds in the infrastructure development fund to provide the Kikala-Keokea housing development with necessary infrastructure.

Office of Hawaiian Affairs Appropriations Act of 2003. (HB1300, HD2, SD2, CD1) Appropriates \$2,532,647 in general funds and \$4,981,185 in trust funds for fiscal year 2003-2004, and \$2,501,147 in general funds and \$5,051,293 in trust funds for fiscal year 2004-2005, for the operation of the Office of Hawaiian Affairs. Includes provisos to appropriate: (1) \$298,000 in general funds in each of fiscal years 2003-2004 and 2004-2005, and \$298,000 in trust funds for fiscal year 2004-2005 for services on a fee work contracted to Alu Like, Inc.; (2) \$290,974 in general funds and \$290,974 in trust funds in each of fiscal years 2003-2004 and 2004-2005 to be expended for the gifted and talented native Hawaiian children program, Na Pua No'eau; and (3) \$40,000 in general funds and \$40,000 in trust funds in each of fiscal years 2003-2004 and 2004-2005 to be expended for the native Hawaiian diet program. Requires that of the funds appropriated for administration (OHA 160), \$388,301 in general funds and \$388,302 in trust funds in each of fiscal years 2003-2004 and 2004-2005 be expended for the native Hawaiian rights and land title projects contractually administered through the Native Hawaiian Legal Corporation.

Office of Hawaiian Affairs; Health Benefits Trust Fund. (HB1303, SD1, CD1) Adds definition of "state agency" in the Hawaii employer-union health benefits trust fund law to include the Office of Hawaiian Affairs.

Office of Hawaiian Affairs; Hui `Imi Advisory Council. (SB1154, HD1; Act 42) Statutorily establishes and makes permanent the Hui `Imi Advisory Council (Council), created by Act 376, Session Laws of Hawaii 1997 (Act 376), within the Office of Hawaiian Affairs. Specifies membership in the Council and duties of the Council. Requires Council to report to the Legislature prior to 2005 Regular Session for the implementation of the Hui `Imi Task Force Report Volumes I and II, including an action plan with a view towards incorporating the action plan into the State General Plan. Repeals Act 376.

Office of Hawaiian Affairs; Technical Amendments. (HB1302; Act 9) Makes technical, housekeeping amendments relating to the exemption of monetary grants made by the Office of Hawaiian Affairs from chapters 103D (Procurement Code) and 103F (Purchases of Health and Human Services), HRS.

Resolutions Adopted

I. Judiciary

Attorney Disciplinary Action; Public Disclosure. (SR78) Expresses that Legislature takes no position on the issue of making public the investigative and deliberative phases of an attorney disciplinary proceeding, but recommends that the disposition of a proceeding and the imposition of any sanctions or dismissal of the petition, be made public after the completion of the proceedings.

Felix Consent Decree; Continuation of Joint Senate-House Investigative Committee. (HCR96) Authorizes the joint Senate-House investigative committee to continue its work regarding the State's efforts to comply with the Felix Consent Decree with the same purpose, powers, authority, and duties, throughout the 2003 Regular Session and during the interim between the 2003 and 2004 Regular Sessions, and with the same subject matter and scope. Authorizes the committee to investigate alleged fraud, abuse, and overcharging, and to continue questioning current and former members of the Felix Monitoring Project and Felix Technical Assistance Panel. Directs the committee to submit a report to the Legislature before the 2004 Regular Session.

Hawaii State Commission on the Status of Women; Support. (SCR23, SD1; SR13, SD1) Expresses strong support for the Hawaii State Commission on the Status of Women. Requests Governor to allocate adequate funding to the Commission to enable it to carry out its mission and duties as mandated by law.

Narcotics Division; Audit. (SR71) Requests the Auditor to perform a management and financial audit of the Department of Public Safety, Narcotics Division, and to report to the Legislature before the 2004 Regular Session.

Three Strikes Law; Task Force. (SCR86, SD1; SR60, SD1) Convenes a task force, with the Dean of the University of Hawaii William S. Richardson School of Law as chair, to study and determine whether Hawaii should enact a "three strikes" law with the assistance of the Sentencing Simulation Model Project. Specifies mission and membership of the task force. Requests that if the task force determines that Hawaii should enact a "three strikes" law, then the task force should also list the felonies for which the "three strikes" law shall apply and submit draft implementing legislation along with its report. Requests report to the Legislature before the 2004 Regular Session.

USA Patriot Act; Congressional Repeal of Sections Limiting or Violating Rights and Liberties. (SCR18; SR8) Urges Hawaii's congressional delegation to work to repeal any sections of the USA Patriot Act or recent executive orders that limit or violate fundamental rights and liberties protected by the Constitutions of Hawaii and the United States. Directs that no state resources, including law enforcement funds and educational administrative resources, be used for: (1) monitoring political and religious gatherings exercising their First Amendment Rights; (2) obtaining library, bookstore, and Internet records and activities without proper authorization or notification; (3) issuing subpoenas through the U.S. Attorney's Office without court approval or knowledge; (4) requesting nonconsensual releases of student and faculty records from public schools and colleges; and (5) eavesdropping on confidential communications between lawyers and their clients under the Patriot Act.

II. Hawaiian Affairs

Anahola Homesteaders Council; Support. (SR59) Expresses support for the efforts of the Anahola Homesteaders Council in developing the Project Faith multi-purpose community center in Anahola, Kauai.

Department of Hawaiian Home Lands; Sale of Leases. (HCR119, HD1) Requests the DHHL to investigate the appropriateness of the sale of leases by a recipient of an award of a lease to another person in a prearranged transaction that circumvents the wait list process for the buyer and enables the seller to realize a personal gain. Requests DHHL to consider prohibiting sale of awarded lots if the awardee will not be using the lot for its intended purpose, and establishing a policy for the sale of existing homes and lots by lessees who wish to relinquish their rights. Requests DHHL to obtain input from the Hawaiian Homes Association. Requests a report to the Legislature, including proposed legislation, before the 2004 Regular Session.

Kalawahine and Kewalo-Uka Lands; Disposition; Audit. (SR89, SD1) Requests the Auditor to conduct an audit of the Department of Hawaiian Home Lands and the Department of Land and Natural Resources on past processes and procedures in complying with Act 150, Session Laws of Hawaii 1990, not including reviewing of leases already issued. Requests a report to the Legislature before the 2004 Regular Session.

Native Hawaiian Federal Recognition; Hawaiian Identity. (SCR54, SR34) Requests the Department of Hawaiian Home Lands to form a coalition to discuss the pending needs of the Hawaiian community in regard to documentation needed to support Hawaiian identity for enrollment qualification for federal recognition and how the State can participate and assist. Requests DHHL to report to the Legislature on the progress of the coalition before the 2004 Regular Session.

Preservation of Hawaiian Language; Support. (HCR198, HD1) Expresses support for and commitment to the preservation of the Hawaiian language and the perpetuation of its study and use. Expresses Legislature's commitment to supporting the critical efforts of the immersion schools; promoting the use of the Hawaiian language in all areas of life; and carrying out the constitutional mandates to promote the study of native Hawaiian culture, history, and language.

Settlement of Native Hawaiian Individual Trust Claims. (SCR155, SD1; SR103, SD1) Urges the Governor to direct the Department of Hawaiian Home Lands to engage in an appropriate alternative dispute resolution process to fairly and expeditiously complete the assessment and settlement of native Hawaiian individual trust claims.

LABOR

The Committee on Labor has jurisdiction over programs relating to public officers and employees, labor, employment opportunities and training, labor-management relations, collective bargaining; the public employees retirement system and the Hawaii public employees health fund.

Bills Passed

I. Public Employment

COLLECTIVE BARGAINING

Binding Arbitration; Reinstatement for Units (2), (3), (4), (6), (8), and (13). (SB768, SD1, HD2, CD1) Reinstates binding arbitration for employees of collective bargaining units (2), supervisory employees in blue collar positions, (3), nonsupervisory employees in white collar positions, (4), supervisory employees in white collar positions, (6), educational officers and other personnel of the Department of Education under the same pay schedule, (8), personnel of the University of Hawaii and the community college system other than faculty, and (13), professional and scientific employees, who cannot be included in any of the other bargaining units, in the event of an impasse between the employer and the exclusive representative of the respective collective bargaining unit.

Contract Cost Items; Unit 1. (SB1438, HD1, CD1) Authorizes the appropriation of funds for Hawaii Employer-Union Health Benefits Trust Fund costs for collective bargaining unit (1), nonsupervisory employees in blue collar positions, for fiscal biennium 2003-2005.

Contract Cost Items; Units (2), (3), (4), (6), (8), and (13). (SB1439, HD1, CD1) Authorizes the appropriation of funds for Hawaii Employer-Union Health Benefits Trust Fund costs for collective bargaining units (2), supervisory employees in blue collar positions; (3), nonsupervisory employees in white collar positions; (4), supervisory employees in white collar positions; (6), educational officers and other personnel of the Department of Education under the same pay schedule; (8), personnel of the University of Hawaii and the community college system, other than faculty; and (13), professional and scientific employees, who cannot be included in any of the other bargaining units, for fiscal biennium 2003-2005.

Contract Cost Items; Unit 5. (SB1440, HD1, CD1) Authorizes the appropriation of funds for Hawaii Employer-Union Health Benefits Trust Fund costs for collective bargaining unit (5), teachers and other personnel of the Department of Education under the same pay schedule, including part-time employees working less than 20 hours a week who are equal to one-half of a full-time equivalent, for fiscal biennium 2003-2005.

Contract Cost Items; Unit 7. (SB1441, HD1, CD1) Authorizes the appropriation of funds for Hawaii Employer-Union Health Benefits Trust Fund costs for unit 7, faculty of the University of Hawaii and the community college system, and their excluded counterparts, negotiated between the State and the bargaining unit representative for fiscal biennium 2003-2005.

Contract Cost Items; Unit 9. (SB1444, HD1, CD1) Authorizes the appropriation of funds for collective bargaining cost items, including Hawaii Employer-Union Health Benefits Trust Fund costs and salary

increases and other wage related costs, from the arbitrated settlement for members of Unit 9, registered professional nurses and excluded counterparts, negotiated by the bargaining unit representative for fiscal biennium 2003-2005.

Contract Cost Items; Unit 10. (SB1442, HD1, CD1) Authorizes the appropriation of funds for Hawaii Employer-Union Health Benefits Trust Fund costs for members of Unit 10, institutional, health, and correctional workers and excluded counterparts, for fiscal biennium 2003-2005.

Contract Cost Items; Unit 11. (SB1443, HD1, CD1) Authorizes the appropriation of funds for collective bargaining cost items, including Hawaii Employer-Union Health Benefits Trust Fund costs and salary increases and other wage related costs, for members of Unit 11, firefighters and excluded counterparts, for fiscal biennium 2003-2005.

Substitute Teachers; Separate Bargaining Unit. (SB1426, SD1; Vetoed 4/30/03) Would have established a collective bargaining unit (14) for substitute teachers of the Department of Education, including those who are part-time employees working less than one-half of a full-time equivalent. Provides the members of bargaining unit (14) the right to strike.

EMPLOYEES' RETIREMENT SYSTEM (ERS)

Emergency Medical Technicians; Retirement Eligibility. (HB507, HD3, SD1, CD1) Allows a licensed emergency medical technician, employed by the City and County of Honolulu, to retire without penalty upon accruing 30 years of service through 6/30/2003; 29 years of service on or after 7/1/2005; 27 years of service on or after 7/1/2006; 26 years of service on or after 7/1/2007; and 25 years of service on or after 7/1/2008. Defines "emergency medical technician" as a person regularly employed by the City and County of Honolulu's Emergency Services Department whose principal duty is to provide emergency medical services and who is licensed to provide emergency medical services.

Membership; Employees Excluded from Social Security Coverage. (HB1157, SD2, CD1) Minimizes the administrative processing of refunding contributions for employees excluded from Social Security coverage by allowing employees hired after 6/30/1984, and who are not covered by Title II of the Social Security Act, nonresident aliens holding F-1, J-1, M-1, or Q-1 visas, to be classified as Class C non-contributory members of the Employees Retirement System. Clarifies that only police officers, firefighters, and employees who were members on 6/30/1957, who did not elect to be covered by the Social Security Act, shall be classified as Class B members.

Payment of Interest for Delay of Pension Payment. (SB1312, SD1, HD2, CD1) Requires the ERS to finalize a retiree's pension benefits within six months of the retiree's retirement or pay interest to a retiree for noncompliance with the six-month deadline. Specifies that beginning 1/1/2004, or the first calendar month following the month of retirement, whichever is later, interest payments calculated as simple interest of 4.5% per annum shall be prorated up to the date payment is made; provided that no interest shall be paid for any pension adjustment made after the retiree's pension has been finalized. Requires the ERS to impose a monthly fee upon departments or agencies that fail to timely comply with any ERS request for information. Authorizes the appropriation of \$90,000 from the ERS's investment earnings for the purposes of this Act; provided that the amount expended does not exceed \$90,000.

Retirement Benefits Calculation; Administrator's Salary Range; Housekeeping. (SB1309, SD2, HD2, CD1) Clarifies to whom pensions are payable upon the death of the pensioner. Allows the ERS Board of

Trustees to set the salary of the ERS Administrator at not more than that of the Governor. Requires the effective date of retirement to be the first day of the month or the last day of the year for a judge or elective officer who retires after attaining the 75 per cent benefit limitation. Restores the method used to calculate a member's average final compensation prior to the enactment of Act 128, Session Laws of Hawaii 2002.

Spousal or Reciprocal Beneficiary Notice of Retirement Benefit Election. (HB130, HD1, SD2, CD1)

Requires a member to provide notification to a spouse or reciprocal beneficiary upon the selection of any retirement benefit option, unless there is no spouse or reciprocal beneficiary, the spouse or reciprocal beneficiary cannot be located, the member has failed to notify the board that there is a spouse or reciprocal beneficiary or that person's whereabouts, or pursuant to any other rules the board may adopt. Requires that notification be in writing, specify the retirement date, benefit option selected, and designated beneficiary, and provide information regarding the effect of the election chosen. Requires the member to be provided with a written explanation of the available benefit options, the spousal or reciprocal beneficiary notification requirement, and the member's right to make, and the effect of, a revocation of an election of a benefit option. Absolves the Employees' Retirement System from liability for any false statements made by a member.

University of Hawaii Employees; Aggregation of Multiple Appointments or Positions. (HB317, HD2, SD2, CD1)

Allows: (1) former, current, and future faculty members or lecturers of the University of Hawaii with multiple part-time appointments or positions; and (2) former or current administrative, professional, or technical employees of the University of Hawaii, who hold or have held multiple part-time appointments or positions as of 7/1/2003, to establish membership in the ERS based upon the aggregation of all part-time appointments or positions not to exceed one full-time position. Disallows the ERS board of trustees from deeming ineligible for membership in the ERS, faculty members or lecturers of the University of Hawaii who hold multiple part-time appointments or positions, any of which may be less than one-half of a full-time equivalent, but when added together equal at least one-half of a full-time equivalent.

LEAVES OF ABSENCE

Disaster Leave; State and County Employees. (SB787; Act 24) Authorizes the Governor and Mayors, or their respective designees, to grant up to 30 days of paid leave to state or county employees who are certified American Red Cross disaster volunteers for the performance of disaster services when a disaster is: (1) designated as level III or higher by American Red Cross regulations; (2) officially declared by the President of the United States; or (3) declared a state of emergency by the Governor, and the leave does not impose an undue hardship on state or county operations. Requires employees to be paid at their regulate rates of pay without loss of seniority, pay, vacation leave, sick leave, or earned overtime accumulations.

Family Leave; Use of Accrued Sick Leave Permitted. (HB389, HD2; Act 44) Requires any employer who provides sick leave for employees to permit an employee to use his or her accrued and available sick leave for family leave purposes. Allows no more than 10 sick leave days per year to be used for that purpose, unless a valid collective bargaining agreement authorizes the use of more days. Adds the definition of "sick leave" to the family leave law, chapter 398, HRS, and amends the definition of "employer" to include the State, thereby applying family leave to state employees.

Paid Leave; Education of Children. (SB205, SD3, HD2, CD1) Requires public employers to provide employees at least two hours of paid leave during normal business hours, including travel time, to attend a mutually-scheduled parent-teacher conference for a minor child or parent-caregiver conference for a pre-school aged child attending a licensed group child care center. Clarifies that an employee is permitted to take leave for no more than two mutually-scheduled conferences per child per calendar year and that such leave shall not interfere with work operations or require the additional human resources or overtime costs.

Tax Deferred Compensation Plans for Public Employees; Military Leave. (SB687, SD1, HD1, CD1) Requires that effective 12/31/2004, the payment of accrued vacation leave upon separation from public service be paid pursuant to a special pay plan. Allows a jurisdiction to establish a special pay plan, pursuant to section 401(a) and 414(d) of the Internal Revenue Code, for state and county employees separating from service. Allows each jurisdiction individually or jointly with other jurisdictions to contract the services of a special pay plan provider to administer the respective jurisdictions' special pay plan. Requires participation in the special pay plan to be mandatory for all employees whose employer has elected to offer a special pay plan; and otherwise in accordance with chapter 89, HRS, for employees subject to a collective bargaining agreement. Allows employees under the age of 55 who elect early withdrawal of their entire account balance from the special pay plan within 60 days of the effective date of separation from service to be reimbursed by the employer the difference between the Federal Insurance Contribution Act (FICA) and any Medicare tax savings to the employee, and any early withdrawal penalty imposed by the Internal Revenue Service. Requires the costs associated with the administration and implementation of a special pay plan to be borne by the plan's provider. Reinstates provisions providing paid leave to officers and employees on active military duty to be effective retroactively to 6/30/2000.

OTHER ISSUES

Compensation and Benefits Packages; Excluded Public Employees. (HB531, SD1, CD1) Requires proposed adjustments to compensation and benefit packages for excluded civil service employees to be at least equal to the compensation and benefit packages provided under collective bargaining agreements for employees within the appropriate authority's jurisdiction.

Executive Salary Commission; Established. (SB1332, SD2, HD2, CD1) Establishes an Executive Salary Commission to review and recommend the salaries of the Governor, the Lieutenant Governor, and the department heads, executive officers, and deputy department heads of the Executive Branch. Requires that the commission be composed of two members appointed by the President of the Senate, two members appointed by the Speaker of the House of Representatives, and one member appointed by the Chief Justice of the Supreme Court. Requires the commission to convene in November 2003, and every eight years thereafter, and submit salary recommendations to the Legislature, which may include incremental increases throughout the eight-year span occurring prior to the convening of the next salary commission, which the Legislature may reject. Provides that following a rejection by the Legislature, the commission shall reconvene to review the reasons for the disapproval and prepare and submit a report for of its findings and new salary recommendations to the Legislature for the following session.

Experimental Modernization Projects for County Boards of Water Supply. (SB363, HD1; Act 40) Authorizes a qualifying board of water supply, serving a population of 500,000 or more persons, to implement an experimental modernization project to determine the need for specific changes in its

human resource program without the approval of the mayor of the respective county. Requires the director of a qualifying board of water supply to develop a plan and consult, negotiate, and agree with the exclusive representative if changes to, waiver of provisions in, or new provisions are necessary to implement the project. Exempts such projects from state or local personnel laws or rules, but requires compliance with equal employment opportunity, anti-discrimination, and collective bargaining laws.

Public Employee Health Benefits; Employer Contributions. (SB789, SD1, HD2, CD1) Requires the State to pay to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) a contribution equal to an amount not less than the Medicare Part B premium for voluntary medical insurance coverage under Medicare for retirees. Requires the EUTF to reimburse the retiree for any cost differential due to a rate increase in the Medicare Part B medical insurance plan within 30 days of the rate change. Establishes base monthly employer contributions for health benefits under the EUTF effective 7/1/2004, of \$254 for supplemental Medicare self plans; \$787 for supplemental Medicare family plans; \$412 for non-medicare self plans, and \$1,089 for non-medicare family plans. Prohibits monthly contributions from exceeding the actual cost of the plan and from covering increased benefits above those initially contracted for plan year 2004-2005. Precludes total contributions for both husband and wife from exceeding the amount for a family plan. Requires the base composite monthly contribution to be adjusted annually beginning 7/1/2005, by using the highest actual contracted premium rate for health benefits plans as of 7/1/2004.

Public Employees; Termination for Felony Conviction. (HB287, HD3, SD2, CD1) Requires the termination of a public employee if the public employee is convicted of a felony related to the employee's duties. Provides for reinstatement and payment of back pay, if the public employee's conviction is overturned and the employee is not otherwise terminated in accordance with any other provision of law. Provides employees covered under chapter 89, HRS, are entitled to a grievance procedure. Establishes a rebuttable presumption that a criminal conviction is just and proper cause for the employee's termination.

Staffing for Federally Funded Programs; Civil Service Exemption. (SB1373, SD1, HD1) Allows positions established to implement federally funded education or training programs, or both, including but not limited to those established under the Comprehensive Employment and Training Act, Job Training Partnership Act, Workforce Investment Act, and the welfare to work program, to be considered exempt from civil service.

II. Private Employment

EMPLOYEE RIGHTS AND BENEFITS

Child Labor; Hours of Work, Adult Entertainment. (HB1198, HD2, SD2; Act 61) Prohibits minors from being employed in, or in connection with adult entertainment. Defines "adult entertainment" to mean activity to which a minor would not be able to legally gain admittance, including performances of erotic entertainment, nude, exotic, or lap dancing, and film or videos depicting sexual acts or genitalia.

Changes the hours of work provisions for minors to apply: the 6:00 a.m. to 9:00 p.m. periods to any authorized school break, not only during summer break; the eight-hour per day limit to non-school

days; and the 40-hour week limit during school breaks; and to establish a three-hour per day limit and an 18-hour week limit when school is in session.

Clarifies that the provisions of the Child Labor Law do not apply to a minor employed by the minor's parent or legal guardian, in addition to other circumstances; provided that such employment occurs during school breaks or when the minor has been excused by school authorities from attending school, so long as such employment is not in connection to adult entertainment or has not been declared by the Director of Labor and Industrial Relations to be hazardous. Requires the Director of Labor and Industrial Relations to adopt rules necessary for the purposes of the Child Labor Law. Makes violation of the Child Labor Law a misdemeanor offense.

Meal Breaks; Required; Exceptions. (HB29, HD1, SD1, CD1) Requires employers to provide employees with at least a 30-minute break for eight hours of continuous work under the Hawaii Wage and Hour Law, for which the employer need not compensate the employee. Defines meal break as any break period in which the employee is provided the opportunity to consume a meal. Excludes employees who are subject to a collective bargaining agreement that contains an express provision for employee meal breaks, common carriers of passengers or a power generating utility, or operators of a continuously operating facility regulated by an environmental permit. Prohibits an employer from preventing an employee from expressing breastmilk during any meal break provided by the employer on a voluntary basis.

Victims Leave; Established. (SB931, SD2, HD2, CD1; Act 60) Requires employers with 50 or more employees to allow an employee to take up to 30 days unpaid leave per year if the employee is a victim of domestic abuse, sexual assault, or stalking. Requires employers with 49 or less employees to provide up to five days of unpaid leave per calendar year. Requires leave to be used to seek medical attention, obtain services from a victim services organization, obtain psychological or other counseling, temporarily or permanently relocate, or take legal action. Allows employers to request medical certificates verifying the need for medical attention and recovery and requires employees to provide signed statements certifying the need for non-medical leave. Provides for employee's return to original job without loss of accumulated service credits and privileges. Allows employee denied leave by an employer to file civil action. Requires employee to exhaust other paid and unpaid leave benefits before using victim leave.

WORKERS' COMPENSATION LAW

Examination for the Determination of Permanent Impairment. (HB1013, HD3, SD2) Requires a mutually agreed upon physician to make the determination of a permanent impairment when an employer requests an examination for a determination of permanent impairment. Requires, if the parties fail to agree upon a physician, that a physician appointed by the Director of the Department of Labor and Industrial Relations conduct the examination. Requires that the costs of any such examination be borne by the employer.

Occupational Therapists and Therapy Assistants; Massage Therapists. (HB731, HD1, SD1) Amends the definition of "medical care", "medical services", or "medical supplies" in the workers' compensation law to include services provided by occupational therapists and occupational therapy assistants. Replaces reference to the outdated term "masseur" with the appropriate term of "licensed massage therapist".

OTHER ISSUES

Prepaid Health Care Advisory Council; Members. (SB665, SD1, HD2, CD1) Prohibits persons representing a health maintenance organization, a mutual benefit society that issues individual and group hospital or medical service plans, or any other health care organization from serving as a member on the Prepaid Health Care Advisory Council.

III. Unemployment Insurance

Additional State Benefits. (HB290, HD2, SD1, CD1) Establishes a program to provide extended state unemployment insurance benefits to qualifying individuals filing claims subsequent to 9/11/01; provided that the federal Temporary Extended Unemployment Compensation Act of 2002 (TEUC) is not extended beyond 8/1/03. Ceases the extended benefits once the unemployment insurance fund reaches the threshold at which the Department of Labor and Industrial Relations would be required to increase the amount of unemployment taxes paid by employers. Conforms state statutory provisions to the federal TEUC. Authorizes the use of general fund moneys if necessary to pay for administrative costs relating to the state additional benefits.

Eligibility for Benefits. (SB773, HD2) Provides a new definition for the term "alternative base period" to mean the four completed calendar quarters immediately preceding the first day of an individual's benefit year. Requires beginning 1/1/04, if an individual fails to establish a valid claim for unemployment insurance benefits, that the Department of Labor and Industrial Relations make a redetermination of eligibility based upon the alternative base period. Requires that the individual satisfies the employment security law provisions for wages for insured work and weeks of employment and that the establishment of claims using the alternative base period be subject to the employment security law provisions for claim determinations and records and reports. Prohibits the use of employment and wages used to establish a benefit year from being reused to establish another benefit year.

Weekly Benefits Amounts. (HB968, HD1, SD1, CD1) Encourages eligible unemployment insurance claimants, beginning 1/21/03, and thereafter, to seek gainful employment by allowing such claimants to receive their weekly benefit amount without regard to any earnings received from employment.

Resolutions Adopted

Deferred Retirement Options Plan; Firefighters and Police Officers. (HCR95) Request the Employees' Retirement System (ERS), in conjunction with an ERS-contracted actuary firm, the affected human resources agencies, public safety department representatives, the Hawaii Fire Fighters Association, and the State of Hawaii Organization of Police Officers to study the feasibility of a Deferred Retirement Option Plan (DROP) benefit for public safety employees. Requests that if a DROP benefit for public safety employees is feasible, the aforementioned groups submit recommendations for the establishment of such a plan and any proposed legislation to the House Committee on Labor and Public Employment and the Senate Committees on Labor and Health and Human Services before the 2004 Regular Session.

Civil Service Modernization Act; Reports on Exempt Employees. (HCR94, HD1) Requests the Department of Human Resources Development to submit annual reports to the Legislature on exempt

employees pursuant to Act 253, Session Laws of Hawaii 2000 (the Civil Service Modernization Act). Requests the House Committee on Labor and Public Employment to hold interim briefings on statutorily exempted positions to determine their current justifications and to provide exempt employees and their exclusive representatives the opportunity to provide information at these briefings.

Employees' Retirement System; County Refuse Collection Workers. (HCR182, HD1) Requests the Department of Labor and Industrial Relations, in conjunction with the Department of Health and the Employees' Retirement System, to conduct a study examining the occupational and health risks associated with refuse collection workers in order to determine whether the retirement benefits of county refuse collection workers should be altered. Requires the study to include a comparison with the risks involved with other county public safety officers such as firefighters, police officers, certain investigators, and water safety officers. Requests report to the Legislature before the 2004 Regular Session.

Employees' Retirement System; Hybrid Plan. (HCR97, HD1) Requests the Employees' Retirement System to conduct a study on the feasibility of the implementation of a hybrid retirement plan that contemplates allowing class A contributory members and class C non-contributory members to convert to the hybrid contributory plan and allowing new employees to become members of the hybrid contributory plan. Requests report to the Legislature before the 2004 Regular Session.

Employees' Retirement System; Investment Practices. (HCR109) Requests the Employees' Retirement System to examine its current investment practices to determine whether any investments are being made with companies that are based in countries which support terrorism, and reexamine investment policies with regard to such companies. Requests report to the Legislature before the 2004 Regular Session.

Prepaid Health Care Act; "A" Status Plans. (HCR43) Requests the Department of Labor and Industrial Relations, in conjunction with Hawaii's health plan carriers, to explore options for redesigning the benefit levels of "A" status plans defined under Hawaii's Prepaid Health Care Act and to submit a report of findings and actions to the Governor and to the Legislature before the 2004 Regular Session.

Prepaid Health Care Act; Medical Savings Accounts and High Deductible Plans. (HCR92) Requests the Department of Labor and Industrial Relations (DLIR) to work in conjunction with Hawaii's health plans to explore options for providing small businesses with Medical Savings Accounts (MSA) and high deductible health plan options to meet benefit levels of a prepaid health plan under the Hawaii Prepaid Health Care Act. Requests DLIR to submit findings and recommendations to the Governor and to the Legislature prior to the 2004 Regular Session which addresses the qualifications, guidelines, probability of success, effect on controlling health care costs, risks, and other issues reflecting a thorough analysis of MSAs.

SCIENCE, ARTS & TECHNOLOGY

The Committee on Science, Arts and Technology has jurisdiction over programs relating to astronomy, biochemistry, biomedicine, biotechnology; and other scientific research and development activities; culture, historic preservation, and the arts; and use of information storage, transmissions, processing, and telecommunications technologies by public agencies and institutions.

Bills Passed

State Internet Portal; Oversight. (SB1334, HD1) Extends oversight by the Access Hawaii Committee of the State's Internet Portal from 6/30/03 to 6/30/05.

Resolutions Adopted

Open Source Software; Assessment and Policy. (SR76, SD1) Requests the Department of Accounting and General Services to assess the current use of open source software within state agencies and to establish a statewide policy supporting the use of open source software, where appropriate. Requests report of findings and recommendations before the 2004 Regular Session.

Ralph Bunche Centenary Celebration; Support. (SR54; HCR89) Expresses support for the Ralph Bunche Centenary Celebration to be sponsored by the University of Hawaii. Requests the Governor to designate August 2003 through August 2004 as a Ralph Bunche Centenary Celebration, and encourages the University of Hawaii and East-West Center to participate by sponsoring an activity, program, or event.

Sanju Pagoda, Nuuanu Valley, Oahu; Restoration and Maintenance. (HCR219, HD1) Expresses support for the preservation through restoration and maintenance of the Sanju Pagoda located in the Honolulu Memorial Park, Nuuanu Valley, Oahu. Requests the Friends of Honolulu Memorial Park to explore obtaining grants for the restoration, consider the feasibility of subdividing the parcel of land on which the Sanju Pagoda is situated, and continue discussions with Honolulu Memorial Park regarding a dedication or donation of a subdivided parcel to the Friends of Honolulu Memorial Park or other suitable nonprofit organization.

State Capitol Mural Art by Students. (SR112, SD1) Requests the State Foundation on Culture and the Arts to establish a "State Capitol Mural Art by Students" project to display student mural art within the State Capitol building. Request participation by each middle and high school on a rotating basis. Requires report from the State Foundation and Department of Education by 3/1/04 on plans to implement the project.

TOURISM

The Committee on Tourism has jurisdiction over programs relating to tourism, including the Hawaii Convention Center, Hawaii Visitors and Convention Bureau, and the Hawaii Tourism Authority.

Bills Passed

HAWAII TOURISM AUTHORITY

Hawaii Tourism Registry; Sports Coordinator; Hawaii Tourism Authority (HTA) Finances. (SB1462, HD2, CD2) Requires the HTA to establish a Hawaii tourism registry of groups of five or more state residents traveling out-of-state to market and promote Hawaii. Requires the HTA to advertise how groups may be included in the registry. Allows HTA to work with qualified groups to coordinate promotional and marketing plans, and to enter into agreements with, and provide funding to, those groups. Changes the compensation package ceiling for the HTA Executive Director, from 15% of the 3.5% authorized for administrative expenses from the tourism special fund to 9% of the 5% authorized. Allows the HTA to appoint a sports coordinator to provide management services for all sporting events supported by the HTA. Exempts the HTA from the laws relating to state bonds and auditing and accounting. Requires the HTA to deposit moneys in the convention center enterprise special fund into interest bearing accounts in Hawaii depositories and that disbursements be by checks signed by the HTA Director and a member of the board. Requires deposit into the tourism special fund of all interest and receipts derived by the HTA from any project or project agreement. Requires the HTA to engage a certified public accountant to perform an annual financial audit of HTA. Appropriates \$8 million from the tourism special fund for the HTA to respond to unstable market conditions resulting from world conflicts, terrorist threats, and the outbreak of SARS on the State's economy, and to strengthen the programs and operations of the HTA. Requires the HTA to report to the Legislature before 1/15/04 on the expenditures of the appropriation.

Hiring of Attorneys. (SB38, HD2, CD1) Allows the Board of Directors of the Hawaii Tourism Authority (HTA) to appoint one or more attorneys who are independent of the Attorney General and exempt from the State's civil service and collective bargaining laws, to provide legal services to the HTA. Authorizes the HTA to fix the compensation of such attorneys. Permits the HTA to request and secure services from the Attorney General, upon mutual agreement.

Public Contracts; Disclosure of Information. (SB41, HD1, CD1) Specifies that any publicly funded contract or subcontract, including all written information acquired by the Hawaii Tourism Authority during the course of securing and monitoring the contract or subcontract, is subject to disclosure as a government record, except for any information deemed proprietary by the person providing the information.

Service Contracts; Specific Provisions Required. (SB1460, SD1, HD2, CD1) Requires Hawaii Tourism Authority (HTA) to include in all contracts over \$6 million, or which are highly complex, provisions regarding: (1) ownership rights, copyrights, and licensing of intellectual property; (2) loyalty to and support of the HTA's policies, programs, and goals; (3) subcontracting by the contractor; (4) standards of conduct requiring the contractor to act in a fiduciary manner and exercise reasonable care and competence; (5) confidentiality during contract negotiation and performance; (6) best efforts and good faith in fulfilling contractual obligations; (7) contract payments to be directly related to

deliverables; and (8) performance standards detailing specific goals and timelines. Authorizes the HTA to suspend any required contract provision if it prevents agreement on the contract, but requires such suspension and reasons to be noted and appended to the contract with a copy forwarded to the Legislature. Requires HTA in its annual report to Legislature to provide details regarding each contract entered into using public funds and the results of those contracts, including the names of contractors, a description of the contract, the amount of each contract, the suspension of any required provisions, and whether the performance and monitoring specifications in the contract have been met for the contract. Requires any intellectual property arising from works for hire contracted for by the HTA to become the intellectual property of the State.

INDUSTRY DEVELOPMENT AND PROMOTION

Hawaii Sports Hall of Fame. (HB662, HD2, SD2) Designates the Hawaii Sports Hall of Fame, a duly registered nonprofit corporation, as the State of Hawaii Museum of Sports History in the Islands to serve as a repository of sport memorabilia of notable Hawaii athletes. Exempts the museum from the requirements for receipt of funds under chapter 42F, Hawaii Revised Statutes, and from any restrictions regarding the donation of money, services, goods, or food to the Hawaii Sports Hall of Fame. Authorizes the Hawaii Sports Hall of Fame to select one or more sites for a museum, with a preference for a location that is easily accessible by tourists. Declares that ownership of any memorabilia remains with the athlete or donor. Provides the State immunity from liability for any loss or damage to memorabilia. Requires the museum to take appropriate measures to maintain and preserve the memorabilia.

Hotel Construction and Remodeling Tax Credit; Amount; Extension. (HB1400, HD1, SD2, CD2) Changes the amount of the hotel construction and remodeling tax credit from 10 percent to eight percent of the hotel construction and renovation costs incurred before 7/1/06. Changes the amount of the tax credit, effective 7/1/06, from eight percent to four percent of the hotel construction and renovation costs incurred before 7/1/10, for costs incurred after 6/30/06, and prior to 7/1/10. Amends definition of "qualified hotel facility" to include commercial buildings and facilities located within a qualified resort area, and defines "qualified resort area". Repeals the tax credit on 7/1/10.

Ko Olina Resort and Marina, and Makaha Resort; Tax Credit. (SB377, SD1, HD2, CD1) Authorizes a nonrefundable tax credit against the income tax, general excise tax, transient accommodations tax, use tax, public service company tax, bank and financial corporations tax, and insurance company tax liability of qualified taxpayers for qualified costs in the development of facilities for attractions and educational purposes at Ko Olina Resort and Marina and Makaha Resort. Provides the credit for taxable years beginning after 12/31/04 for costs incurred from 6/1/03, through 5/31/09. Limits the credit to \$75,000,000 in the aggregate for all qualified taxpayers for all years, with a maximum amount of \$7,500,000 in credits in the aggregate for all qualified taxpayers in any one taxable year. Specifies qualifications and procedures to claim the credit. Requires a taxpayer, to qualify for the credit, to: (1) be developing a world-class aquarium and marine science and mammal research facility at Ko Olina Resort and Marina; (2) dedicate one-half of the net operating income of the world-class aquarium to the State, beginning the first day of the 17th year following the year in which the attractions and educational facilities credit was first taken; or (3) acquire or own the Makaha Resort, and lease or sell a portion of it for use as training and educational facilities for at least six years. Provides for 100 percent recapture of credits claimed for costs incurred that no longer meet the definition of qualified costs. Requires taxpayer claiming the credit to submit specified information in a written certified

statement to the Director of Business, Economic Development, and Tourism (DBEDT), and requires DBEDT to maintain records accordingly and to verify all qualified costs and issue a certificate to the taxpayer indicating the amount of qualified costs and tax credits allowable to the taxpayer each year. Defines "Ko Olina Resort and Marina", "Makaha Resort", "Qualified Costs", and "Qualified taxpayer". Exempts allocations of the tax credit from the Internal Revenue Code provision regarding a partner's distributive share. Takes effect upon approval, and applies to qualified costs incurred after 5/31/03.

Transient Accommodations Tax; State Trail and Access Program. (SB1040, SD1, HD1, CD1) Provides that the 10% of transient accommodation tax revenues for the Hawaii Statewide Trail and Access Program be deposited into the Special Land and Development Fund, from which expenditures for the trails and access program can be made. Removes the \$500,000 ceiling on the amount of funds that may be used in one fiscal year for the management, maintenance, and development of trails and accesses under the jurisdiction of the Department of Land and Natural Resources.

Resolution Adopted

Hawaii Filmmakers, Locally Made Films; Promotion. (SR24) Requests the Hawaii Tourism Authority to advertise, promote, and market the local film industry, particularly films made locally by local actors, producers, and writers, including films depicting Hawaii's cultural, racial, and ethnic diversity and harmony. Requests the promotion of locally made films be undertaken with the goal of exportation of the film out-of-state to be viewed by mainland and foreign venues.

TRANSPORTATION, MILITARY AFFAIRS AND GOVERNMENT OPERATIONS

Committee on Transportation, Military Affairs, and Government Operations. The purview of this committee includes those programs relating to air, water, and surface transportation; civil defense; military and veteran's affairs; state government operations policy, including procurement and government efficiency; ethics; county, federal, and foreign relations; and matters of concern to the counties.

Bills Passed

I. Transportation

DRIVER LICENSING

Administrative Driver's License Revocation; Law Enforcement Mileage Fees. (HB818, HD1; Act 31) Removes law enforcement mileage fees from the costs covered by administrative hearing processing fees.

Commercial Driver Licensing; Applicant Domicile. (SB1405, HD1; Act 46) Requires that a person be domiciled in the State to obtain a commercial driver's license.

Commercial Driver Licensing; Reciprocity. (SB1407; Act 32) Authorizes the examiner of drivers to waive the knowledge and skills test requirements for applicants for a commercial driver's license who are at least 21 years of age and who possess a valid commercial driver's license issued by another state or Canadian province. Specifies that waiver does not apply to the test for a hazardous materials endorsement.

Commercial Driver's Licenses; Identification Numbers. (SB1406; Act 15) Deletes requirement that commercial driver's licenses include the licensee's social security number on the license.

Commercial Driver's Licenses; Insulin Users. (SB51; Act 18) Authorizes the Director of Transportation to grant an intrastate waiver for insulin users to obtain a commercial driver's license. Requires the Director to adopt rules under chapter 91, HRS, to establish a screening process, including approval by a licensed physician, to qualify for a waiver.

Driver Licensing; Persons Ineligible for a Social Security Number. (HB324, HD1, SD1, CD1) Authorizes a person who is ineligible to receive a social security number to obtain a driver's license by submitting a letter from the United States Social Security Administration and a government-issued photo identification document or alternative identification document deemed acceptable by the Director of Transportation.

MOTOR VEHICLES

Dune Buggies; Special Interest Vehicle Registration Requirements. (SB460; Vetoed 4/8/03) Would have defined a "dune buggy replica vehicle" as a vehicle that was assembled from a manufactured kit, either as a complete kit for a new vehicle consisting of a prefabricated body and chassis, as

components manufactured before 1969, or as components manufactured after 1968 to resemble a vehicle manufactured before 1969. Would have included dune buggy replica vehicles within the special interest vehicle registration requirements, thereby removing such vehicles from the reconstructed vehicle registration law.

Removal of Motor Vehicles from State; Motor Vehicle Rental Companies. (HB58; Act 26) Exempts motor vehicle rental companies that periodically ship 10 or more vehicles between the islands or out of the State, from the documentation and certification requirements for removing and shipping vehicles.

Removal of Vehicles from State; Military Personnel. (SB88, SD1, HD1; Act 45) Exempts military personnel from the requirement of obtaining the seller's consent to remove a privately-owned vehicle from the State when the vehicle is subject to an out-of-state lien.

GENERAL

Fixed Rail System; Monorail; Action Plan. (SB464, SD2, HD2, CD1) Requires the Department of Transportation, in conjunction with the Oahu Metropolitan Planning Organization, to develop an action plan for implementation of a fixed rail system or monorail on Oahu, and to submit the plan to the Legislature before the 2004 Regular Session.

Ocean Safety Vehicles; Emergency Designation. (HB1607, HD2, SD1) Amends definition of "authorized emergency vehicle" to include ocean safety vehicles, so that such vehicles are exempt from certain traffic regulations when using audible and visual signals.

Watercraft; Mandatory Use of EPIRB or VHF-FM Radio. (SB42, SD1, HD1; Act 54) Requires watercraft operators to carry a functional emergency position indicating radio beacon (EPIRB) or VHF-FM radio when operating beyond one mile from shore. Exempts canoes, thrill craft, surfboards, and paddleboards. Exempts kayaks and training sailboats when accompanied by a vessel with an EPIRB or VHF-FM radio. Sets a civil fine of not more than \$100 per violation. Defines "EPIRB" as an electronic device that transmits a distress call on a designated emergency frequency to a radio or satellite receiver. Requires that EPIRBs be approved by the Federal Communications Commission and COSPAS-SARSAT, an international search and rescue organization. Requires 406 MHz EPIRBs to be registered with the National Oceanic and Atmospheric Administration and subjects EPIRBs for commercial vessels to applicable U.S. Coast Guard regulations.

HIGHWAY SAFETY; TRAFFIC ENFORCEMENT

Driving Under the Influence of an Intoxicant. (HB807, HD2, SD2, CD1; Act 71) Establishes the offense of habitually operating a vehicle under the influence of an intoxicant, for persons who are convicted three or more times within a 10-year period of a subsequent offense for operating a vehicle while under the influence of an intoxicant. Makes habitual operation of a vehicle under the influence of an intoxicant a class C felony, and sets mandatory penalties of an indeterminate sentence of five years imprisonment, or five years of probation with specific conditions. Establishes certain violations of law committed as a minor as "prior offenses" for purposes of enhanced sentencing. Establishes as "prior offenses" any qualifying offense that has not been expunged by pardon, set aside, or reversed at the time of the subsequent conviction. Takes effect 1/1/04.

Intoxicants; Blood Alcohol Content Testing. (HB1010, HD1, SD2, CD1; Act 72) Allows the police to conduct a breath, blood, or urine test to determine blood alcohol content of a person involved in a motor vehicle collision who is not injured or refuses medical treatment, if the police have probable cause to believe the person was driving under the influence of alcohol. Provides that the act of declining to perform a breath test is not deemed a refusal under chapter 291E, HRS, and does not relieve the person from the requirement of providing a blood or urine sample. Specifies the persons authorized to perform the test. Authorizes a law enforcement officer to transport a person who is uninjured or refuses to be treated for injuries to another police, hospital, or medical facility capable of conducting the test. Takes effect on 1/1/04.

Parking for Persons with Disabilities. (HB1572, HD3; Act 30) Authorizes law enforcement officers and, during business hours, commissioned volunteer enforcement officers, to access private property to enforce laws regarding parking for persons with disabilities. Includes access aisles within definition of "parking space reserved for persons with disabilities", and defines "access aisle" as the area adjacent to parking spaces for persons with disabilities that is used by them for entering and exiting their vehicles, thereby prohibiting parking in access aisles. Includes vascular conditions that impair ambulatory function as a disability qualifying a person for a parking placard. Amends definitions of "removable windshield placard" and "temporary removable windshield placard" to remove the existing list of specific information that must be contained on the placards. Repeals certain restrictions and requirements relating to the issuance of removable windshield placards, temporary removable windshield placards, and identification cards.

Repeals provision authorizing a county to charge a replacement fee if a placard is lost. Increases penalty for fraudulent manufacture, alteration, or use of a placard or identification card from a petty misdemeanor to a misdemeanor. Repeals references to the international symbol of access in provisions of existing law that allow a vehicle with special license plates or a placard to park in metered spaces for a specified time without paying meter fees.

Expands the list of parking infractions involving the use of placards or special license plates to add displaying invalid placards or special license plates, using placards or special license plates not issued to that person or a passenger in the person's vehicle, parking in an access aisle, and obstructing a parking space reserved for persons with a disability. Requires a violator to pay administrative costs related to assessing the fine. Reduces the fine for a person with a disability who had a valid placard or special license plate but failed to display it while parked. Authorizes a citation refused by the violator to be mailed by certified or registered mail, and requires that the citation be postmarked within 72 hours of the time of the incident.

Traffic Code; Segways. (SB1051, HD2, CD1) Authorizes operation of an electric personal assistive mobility device, otherwise known as a Segway, on sidewalks at a speed no greater than eight miles per hour (m.p.h.), and on bicycle paths at any speed. Limits sale of consumer model Segways to those models operated by a key that can set the maximum forward speed at no greater than eight m.p.h. Requires Segway users to be 16 years of age or older. Sets various safety and operational standards for operation of a Segway. Applies Traffic Code penalties to operators using a Segway recklessly. Defines "electric personal assistive mobility device".

II. Military Affairs

Fiftieth Anniversary Commemoration of the Korean War Commission; Appropriation. (SB317, SD2, HD1, CD1) Appropriates \$30,000 for the Fiftieth Anniversary Commemoration of the Korean War Commission to complete its work and to conduct an anniversary finale commemorating the end of the Korean War.

Veterans' Rights and Benefits; Filipino-American World War II Veterans. (SB1050, SD2, HD2, CD1) Requires the Office of Veterans' Services (OVS), at the request of a deceased Filipino-American World War II veteran's survivor or interested party, to pay up to \$2,500 for the cost of funeral and burial services and transporting the veteran's remains to the Philippines. Directs the OVS to develop specific eligibility criteria to establish residency, including the requirement that the veteran be a resident of the State at the time of death. Defines qualifying World War II Filipino-American veterans. Appropriates \$30,000 for this purpose.

III. Government Operations

BUSINESS/INDUSTRY REGULATION

Motor Vehicle Franchises. (SB1201, SD2, HD1, CD1) Prohibits, in a franchise or distributorship agreement, any provision that requires either party to waive compliance with any state law. Applies certain laws applicable to motor vehicle dealers to distributors that are not motor vehicle manufacturers. Authorizes a private civil right of action by persons licensed under chapter 437, HRS, including recovery of attorneys' fees. Requires licensure of motor vehicle manufacturers and distributors operating in the State. Specifies documents that must be submitted by an applicant for a manufacturer's or distributor's license. Sets fees, including renewal fees, for a manufacturer's or distributor's license, which shall remain in effect until the Director of Commerce and Consumer Affairs adopts rules pursuant to chapter 91, HRS, to set new fees. Authorizes the Motor Vehicle Industry Licensing Board to take administrative action against manufacturers and distributors for: (1) certain coercive actions against dealers; (2) certain unfair trade practices against dealers; (3) engaging in bad faith against dealers; (4) unreasonably delaying or refusing delivery to a dealer; (5) discriminating against franchised dealers in the State; (6) failure to adequately compensate a dealer; and (7) wilfully failing to affix or removing the vehicle bumper impact notice on a motor vehicle. Subjects manufacturers and distributors to penalties under Motor Vehicle Industry Licensing Act, and repeals definitions of "distributor branch," "distributor representative," "factory branch," and "factory representative" in the Act.

Motor Vehicle Industry Licensing Act; Dealers. (SB345, SD1, HD2; Act 67) Provides that any person who sells three or more motor vehicles in a calendar year shall be considered a "dealer" subject to the Motor Vehicle Industry Licensing Act. Defines "new motor vehicle dealer" and "used motor vehicle dealer".

Reconstructed Vehicles; Application of Law to Counties. (HB993, SD1, CD1) Applies, beginning 7/1/04, the statewide reconstructed vehicle law to all counties that have not adopted an ordinance regulating the inspection and certification of reconstructed vehicles.

Residential Leasehold Conversion; Residential Only. (HB1453, HD1; Act 29) Amends the definitions of "lot", "houselot", "residential lot", and "residential houselot" in chapter 516, HRS, to limit its application to

parcels of land that are zoned for residential use, thereby subjecting mandatory leasehold conversions only to residential housing, not agricultural lots.

Vehicle Leases; Terminable Rental Adjustment Clauses; Not a Sale or Security Interest. (SB562; Act 21)

Provides that inclusion of a terminable rental adjustment clause in a vehicle lease does not create a sale or security interest for purposes of bankruptcy or tax law.

ELECTIONS; CAMPAIGNS

Elections by Mail. (HB754; Act 37) Authorizes any state, federal, or county election, except those held on the date of a regularly scheduled primary or general election, to be conducted by mail. Gives the Chief Election Officer the discretion to determine which federal and state elections to conduct by mail. Gives the county clerks the discretion to determine which county elections to conduct by mail.

Political Speech; Tenants; Sign Posting. (HB373, HD2, SD1, CD1) Prohibits landlords from restricting a tenant's right, in a single family residence, to erect, maintain, and display a legal campaign sign, except when the public health and safety may be affected. Repeals time restrictions on posting of campaign signs.

GENERAL/PROCUREMENT

Administrative Procedure; Rulemaking. (HB285, HD1, SD2) Requires that the adoption, amendment, or repeal of an administrative rule conform to the spirit and intent of state and federal law, and that the rule has a rational nexus to the enabling law. Provides for the automatic repeal of an administrative rule upon the repeal of an enabling statute or ordinance, unless the statute or ordinance is readopted by operation of law. Requires the Small Business Regulatory Review Board to include, in its evaluation report, recommendations on whether a rule furthers an appropriate function of state government, and whether the function of a rule can be implemented cost-effectively by the private sector without compromising any benefits of the rule to the State. Applies the automatic repeal of administrative rules provisions retroactively to administrative rules that were adopted pursuant to statutes or ordinances that were repealed prior to the effective date of this measure.

Airport Concessionaires; Economic Relief. (SB44, SD2, HD2, CD1) Authorizes the Department of Transportation to issue revocable permits for up to two years for use of state airports, if necessary, due to a natural disaster or continuation of an adverse economic condition. Defines "adverse economic condition". Provides a statutory mechanism through which the State may modify an airport concessionaire's contract if the concessionaire has suffered a reduction of 15 percent or more in gross receipts for a period of 60 days or more in business substantially caused by a reduction in passenger arrivals. Authorizes insertion of force majeure clauses in airport concessionaire contracts. Requires that if an unanticipated act occurs and a concessionaire suffers a reduction of 15 percent in gross receipts, then the parties shall agree to cancel the contract and allow the concessionaire to do business in the State without prejudice, or modify the contract terms, including the waiver and reduction of rental payments. Authorizes additional economic relief to be provided to concessionaires that qualified for and received economic relief pursuant to Act 15, Third Special Session Laws of Hawaii 2001. Prohibits a concessionaire from receiving duplicative relief. Applies force majeure contract provisions retroactively to 1/1/03. Applies concessionaire relief options retroactively to 9/11/01.

Airports and Harbors Security Measures, Capital Improvement Appropriations; Passenger Facility Charge Special Fund Establishment. (HB1230, HD1, SD2, CD1) Appropriates funds from the airport special fund and harbor special fund for the Department of Transportation to institute heightened security measures, hire additional personnel, and procure equipment and supplies at state airports and harbors. Appropriates funds for various harbor, highway, and airport capital improvement projects on Oahu. Authorizes the use of funds to reduce the debt service payment for land transportation facilities and support. Establishes a passenger facility charge special fund to hold proceeds of passenger facility charges. Exempts the passenger facility charge special fund from administrative expenses assessment and works of art special fund contributions.

County General Obligation Bond Issuance. (HB772; Act 38) Authorizes the county directors of finance when issuing bonds on behalf of a county, to determine whether to acquire insurance policies and enter into other banking arrangements including credit or liquidity support facilities and interest rate swaps, swaptions, interest rate floors or caps, and other similar contracts to reduce the cost of borrowing.

County Lands and Improvements; Transfer to State. (SB528, SD2, HD1, CD1) Transfers certain specified Hawaii County lands and improvements currently used for public school purposes to the State.

County Revenue Bond Issuance. (HB773; Act 39) Authorizes the county councils when issuing revenue bonds on behalf of the county, to determine whether to acquire insurance policies and enter into banking arrangements, including credit or liquidity support facilities and interest rate swaps, swaptions, interest rate floors or caps, and other similar contracts to reduce the cost of borrowing.

Emergency Appropriations; Governor; Lieutenant Governor. (HB1077, HD1, SD1; Act 2) Appropriates funds for the Offices of the Governor (\$838,136) and Lieutenant Governor (\$141,000) for operations through 6/30/03.

Goods and Services; Purchases by Procurement Card. (SB1261, HD2; Act 51) Authorizes state and county procuring agencies to purchase goods and services using a state procurement card. Defines "state procurement card" as a charge card with predetermined limits.

Legislative Journals. (HB659; Act 28) Transfers responsibility for the sale and distribution of the legislative journals from the Lieutenant Governor to the Legislature. Authorizes the Speaker of the House of Representatives and the President of the Senate to fix the price of their respective journals and determine who may receive the journals free of charge. Allows the revenues derived from the sale of the journals to be used to defray the expenses of each house.

Procurement; Pre-bid Conference; Procurement Institute; Professional Services; Contractor Compliance with State Laws. (SB1262, SD1, HD1, CD1; Act 52) Requires a pre-bid conference to be held for all contracts for construction or design-build projects with a total estimated value of \$500,000 or more, if awarded pursuant to sealed bids, or \$100,000 or more, if awarded pursuant to a request for proposals. Requires head of purchasing agency to invite all potential interested bidders, offerors, subcontractors, and union representatives to attend the pre-bid conference. Requires the State Procurement Administrator to establish, in cooperation with the University of Hawaii William S. Richardson School of Law and other public and private entities, a Hawaii procurement institute to develop a professional acquisition workforce and improve the contractor industrial base through education and training.

For contracts awarded pursuant to a request for proposals, and for professional service contracts, allows nonselected offerors to request a "debriefing" from the chief procurement officer prior to the deadline for filing an official protest. Requires contracts for design professional services furnished by licensed architects, engineers, surveyors, and landscape architects, to be awarded only based on professional qualifications pursuant to section 103D-304, HRS, or pursuant to emergency procurement procedures.

Amends the provisions for procurement of professional services under section 103D-304, HRS: (1) to require the procurement policy board to adopt rules governing when additional professional service invitation notices will be given; (2) to redesignate the "screening" committee as the "selection" committee, and to delete the requirement that a member of the using agency be appointed to the selection committee if the using agency and purchasing agency are different; (3) to delete the requirement that members of the review and selection committees be government employees; (4) to ensure the impartiality and independence of members of the review and selection committees and to require that the names of the members be available to the public; (5) to amend the selection criteria for professional service providers, and to allow the selection committee to determine additional criteria; (6) to require the selection committee to rank at least three persons for contract negotiations, and to ensure an equal distribution of contracts among providers holding the same ranking; (7) to require documentation if the first or second ranked provider is not awarded a contract; and (8) to require posting of all professional service contracts awarded for \$5,000 or more, and to amend the list of information to be posted.

Requires all offerors, upon award of contract, to demonstrate compliance with Hawaii laws regarding general excise tax, employment security, workers' compensation, temporary disability insurance, and prepaid health care. Requires all offerors, upon award of contract, to be incorporated or organized under the laws of the State, or to register an in-state branch or division that is capable of fully performing under the contract, and suspend an offeror from further offerings or awards for any false affirmation or certification. Repeals the state taxpayer procurement preference.

Skateboard Parks; Limited Liability for State, Counties, and Volunteers. (SB975, HD1, CD1) Provides immunity for State and counties from claims arising from use of a public skateboard park, except for claims resulting from the State or county's failure to repair or maintain the skateboard park. Requires State and counties that own or maintain skateboard parks to maintain a record of all known or reported injuries and to submit a report before the 2008 Regular Session regarding the injuries and recommendations to further protect the State and counties from liability. Provides immunity from tort liability for volunteers who design, construct, maintain, or repair a skateboard park for a governmental entity, except for claims arising from gross negligence or intentional misconduct. Provides that nonprofit organizations that design, repair, construct, or maintain a skateboard park shall not be liable for injuries or damage sustained while using the park, except under the doctrine of respondeat superior.

Resolutions Adopted

I. Transportation

Bus Flyer Stops; Feasibility Study. (HCR188) Requests the Department of Transportation (DOT) to study the feasibility of establishing flyer stops within the right-of-way of Oahu's H-2 freeway and connecting the park-and-ride facilities. Specifies certain aspects to be included in the study. Requests the DOT to

obtain input on any proposals contained in the study from the City and County of Honolulu and community groups. Requests a report to the Legislature before the 2004 Regular Session.

Fixed Rail System; Economic Feasibility Study. (SR77, SD1) Requests the Department of Transportation to conduct a study to determine the economic feasibility of constructing fixed rail systems on the islands of Hawaii and Oahu, and to report to the Legislature before the 2004 Regular Session.

Local Airlines; Collaboration on Flight Scheduling. (SR16, SD1) Requests Hawaii's congressional delegation to ask the United States Department of Justice to review whether, in a way not antithetical to the antitrust laws and their purposes, Hawaiian Airlines and Aloha Airlines can discuss flight scheduling to better accommodate travelers, particularly during morning and evening commute hours.

Oahu Metropolitan Planning Organization; Regional Transportation Plan; Second Waianae Access Road. (HCR63, HD1) Requests the Policy Committee of the Oahu Metropolitan Planning Organization to consider including the Waianae second access road project in its regional transportation plan of 2004, to identify immediate sources of funding for the project, and to provide for priority of the project in the Oahu Transportation Improvement Program.

Photo Red Light Enforcement Pilot Project; Feasibility Study. (SR26, SD1) Requests the Department of Transportation to conduct a study regarding the feasibility of establishing under its administrative powers, a photo red light enforcement pilot project on Oahu and to report to the Legislature before the 2004 Regular Session.

Traffic Advisory Task Force. (SR68) Requests the Department of Transportation to convene a traffic advisory task force to study traffic congestion issues on Oahu and submit recommendations and a report, including a timetable for implementation and proposed legislation if necessary, to the Legislature before the 2004 Regular Session. Requests that the task force identify major contributors to traffic congestion, particularly during rush-hour traffic, examine how best to remove debris from accident sites during rush-hour traffic in order to avoid further congestion, consider granting tow vehicles "emergency vehicle status" during rush-hour traffic, and identify other traffic issues caused by traffic congestion. Specifies the members of the task force.

Traffic Safety Investigation; Hawaii County. (SR22) Requests the Department of Transportation (DOT), in conjunction with the Hawaii County Department of Public Works, to review the causes of motor vehicle collisions at the intersection of Highway 11 and the Pahala entry road and to make improvements as necessary. Requests the Highway Division of the DOT to report to the Legislature before the 2004 Regular Session.

Waianae Coast; Multi-use Path; Feasibility Study. (HCR197, HD1) Requests the City and County of Honolulu to determine the feasibility of constructing a multi-use path along the Waianae Coast from Maili Beach Park to Makaha surfing beach. Requests that the City and County of Honolulu consult with the Department of Transportation and any other state agency as necessary. Specifies aspects to be covered in the feasibility study. Requests a report to the Legislature before the 2004 Regular Session.

II. Military Affairs

Filipino-American World War II Veterans; Veterans Benefits. (SCR44) Urges the President of the United States to issue an executive order granting federal veterans benefits and services to Filipino-American World War II veterans, and their spouses and children.

Internment of Civilians During World War II; Education of Congressional Members. (HCR26, HD1) Requests the Speaker of the United States House of Representatives to educate and sensitize members of Congress on the unfortunate circumstances of the internment of civilians during World War II.

Military Affairs Council. (SCR5) Expresses support for the Military Affairs Council of the Chamber of Commerce of Hawaii for the specific measures it has supported to improve the quality of life for military personnel stationed in the State. Specifies that areas in need of improvement include allowing incoming military personnel to ship up to two private vehicles to the State at the military's expense, constructing military housing garages so as to accommodate two motor vehicles, replacing the boats used to ferry visitors to the Arizona Memorial, accommodating broader access to Ford Island, and constructing an aviation museum on Ford Island.

Military Base Closures. (SCR176, SD1; SR124, SD1) Urges the U.S. Congress to discontinue closures of U.S. military bases in Hawaii. Establishes a Base Realignment and Closing Committee to work with federal, state, and military leaders to preserve local military bases and to position Hawaii bases to receive work from other bases that are closed. Specifies membership of the Base Realignment and Closing Committee. Requests a report from the Committee to the Legislature before the 2004 Regular Session.

Military Residential Communities Initiative; Local Contractors. (SCR105, SD1; SR73, SD1) Requests the United States Army, Air Force, and Navy to include in the selection criteria for a privatization program contractor or partner, a preference for proposals that can present the most credible plans for involving Hawaii-based contractors and companies. Requests that the preference apply to businesses organized or incorporated in the State that comply with all applicable state employment laws. Requests that the U.S. Army, Air Force, and Navy increase the small business evaluation factor to give preference to bidders that can demonstrate a history of commitment to Hawaii small businesses.

Veterans Benefits; Filipino-American Veterans of World War II; Congressional Action. (HCR76; HCR77; SR69; SR70) Urges the United States Congress to pass H.R. 664 and S. 68 which propose to: (1) provide hospital and nursing home care and medical services for service-connected disabilities to Filipino veterans who are U.S. citizens or lawful permanent resident aliens; (2) increase dependency and indemnity compensation for surviving spouses; and (3) increase compensation and burial benefits for New Philippine Scouts.

III. Government Operations

Capitol Pools, Algae Growth; Study. (SR75, SD1) Requests the University of Hawaii at Manoa (UH), in collaboration and cooperation with the Department of Accounting and General Services (DAGS), to conduct a study to identify a cost-effective solution to the Capitol pool algae problem, and to report to the Legislature before the 2004 Regular Session. Requests that consideration be given to conducting the study as a senior project or directed study under the College of Engineering. Asks UH

and DAGS to investigate how other similar pools are kept algae-free and the potential benefits of bioremediation.

Homeland Security; Pacific Oceanic Administrative Region. (HCR51) Requests the Secretary of the U.S. Department of Homeland Security to establish a Pacific Oceanic Administrative Region within the U.S. Department of Homeland Security, to be headquartered in Honolulu.

Ilocos Norte, Republic of the Philippines; State-Province Relationship with Hawaii. (HCR17, HD1) Authorizes and urges the Governor to take all necessary actions to establish a state-province affiliation between Hawaii and the province of Ilocos Norte, Philippines, until 7/1/08. Requests the Governor to keep the Legislature informed on the actions taken to consummate the relationship. Provides Ilocos Norte with all privileges and honors that Hawaii extends to its sister-states and provinces once the relationship is consummated.

Millennium Challenge Account; Congressional Funding Urged. (HCR28) Urges the United States Congress to fully fund the Millennium Challenge Account to enable poor and hungry people around the globe to become self-reliant. Requests that Congress support implementing the Millennium Challenge Account with sufficient funding and in a manner that provides meaningful participation by women and girls in aid-receiving nations.

Office of International Affairs; Study. (SCR49, SD1; SR28, SD1) Requests the Legislative Reference Bureau (LRB) to study and recommend appropriate duties, responsibilities, and location within state government, for an Office of International Affairs, taking into consideration that the Office should be independent enough to serve both the legislative and executive branches. Requests the Governor, Speaker of the House of Representatives, and Senate President to each designate one individual with relevant knowledge to be available to consult with LRB on the study. Requests LRB to report to the Legislature before the 2004 Regular Session.

Sister State-Prefecture Relationship; Ehime Prefecture, Japan. (HCR52, HD1) Authorizes the Governor to take all necessary actions to establish a sister state-prefecture relationship between Hawaii and Ehime Prefecture, Japan, until 7/1/08. Extends to Ehime Prefecture, upon consummation of the relationship, all privileges and honors afforded to Hawaii's other sister states and provinces. Requests that the Legislature be kept fully informed and involved in the process of establishing and formalizing the relationship.

Urban Search and Rescue Team. (HCR54; SR17) Urges the Governor, through the State Director of Civil Defense, and the Mayors of each county, to continue their support for the development of an officially recognized urban search and rescue task force in Hawaii.

Wireless Enhanced 911 Interim Working Group. (HCR120; SR96, SD2) Establishes a Wireless Enhanced 911 Working Group, to study the funding requirements to support new 911 wireless identification and location services, recommend the level of surcharge to be imposed on wireless customers, and develop the means by which service carriers will recover the costs associated with providing enhanced 911 services. Sets membership of Working Group. Requests a report from Working Group to the Legislature before the 2004 Regular Session. (Note: Membership of the Working Group and duties of certain members differ slightly in each measure. For specific membership details, consult text of the measures.)

WATER, LAND, AND AGRICULTURE

The Committee on Water, Land, and Agriculture has jurisdiction over programs relating to state planning, urban renewal, community development, land and water use, coastal zone management, land reclamation, fisheries and ocean resources; small boat harbors; agriculture and aquaculture, including mariculture.

Bills Passed

I. Agriculture

DIVERSIFIED AGRICULTURE

Agribusiness Development Corporation; Board of Directors. (SB1258, SD1, HD1, CD1) Retains the current selection process for the board of directors of the Agribusiness Development Corporation (ADC) by repealing provisions that replace the ADC board members with the members of the Board of Agriculture on 7/1/05.

Agribusiness Development Corporation; Public Lands (SB538, SD1, HD1; Act 47) Expands the "public lands" exemption in section 171-2, HRS, for lands of the Agribusiness Development Corporation (ADC) to include lands which are set aside by the Governor to ADC and lands leased to ADC by any state department or agency.

Farmers' Market Feasibility Study. (HB293, HD1, SD2, CD1) Appropriates \$7,000 for the Department of Agriculture (DOA) to conduct a study in the economic feasibility of a world-class farmers' market that will provide an effective venue for agricultural marketing and promotion in Hawaii. Requires the DOA to submit a report of findings and recommendations to the Legislature by 12/31/03.

Hawaii Farm Bureau Federation; Pineapple and Sugar Research Grants. (SB540, SD1, HD2, CD1) Appropriates \$800,000 for a grant-in-aid to the Hawaii Farm Bureau Federation for sugar and agricultural research and market development and \$50,000 for certain specified pineapple research projects.

SPRBs; Hawaii Gold Cacao Tree, Inc.; Lapsing Date, Extension. (SB1496, HD1, CD1) Extends the authorization of the Department of Budget and Finance to issue \$10,000,000, in special purpose revenue bonds on behalf of Hawaii Gold Cacao Tree, Inc., from 6/30/03, to 6/30/05.

LANDS AND INFRASTRUCTURE

Brown Tree Snakes; Importation. (SB554; Act 10) Allows the Department of Agriculture to bring into Hawaii and maintain four, live, sterile brown tree snakes for research and the training of snake detector dogs.

Microorganism Import; Bioterrorism and Health Emergencies. (SB1260, SD1; Act 12) Authorizes the following, to prepare for bioterrorism acts and other public health emergencies in a timely manner: (1) the Department of Health (DOH), Tripler Army Medical Center (TAMC), and laboratories certified under the Clinical Laboratories Improvement Amendments of 1988 to import microorganisms for laboratory

diagnostics without review and permit approval by the Department of Agriculture (DOA), but fulfilling notification, labeling, and inspection requirements of section 150A-5, HRS; and (2) DOH and TAMC to transfer imported microorganisms between their laboratories with prior notification to, and written authorization from, DOA prior to transfer.

Non-Agricultural Park Lands; Transfer. (SB1034, SD1, HD2, CD1) Allows non-agricultural park lands that are leased or available for lease by the Department of Land and Natural Resources to be transferred to, and managed by, the Department of Agriculture under rules adopted by the Board of Agriculture that are separate and distinct from the agricultural park program and rules. Specifies the conditions to be included in the program for encumbered non-agricultural park lands. Provides that none of the transferred lands, if prime agricultural lands, shall be used for golf courses, golf driving ranges, or country clubs. Assures that, notwithstanding any laws to the contrary, leases of the transferred lands will not have their rents or the terms of their leases reduced during the remaining terms of those leases from the time of their transfer. Requires the Board of Agriculture and the Board of Land and Natural Resources to jointly report to the Legislature before the 2004 Regular Session.

Private Restrictions Prohibited. (SB255, SD2, HD1, CD1) Prohibits private restrictions on agricultural lands unless they are for the protection of the environment and cultural resources, thereby maintaining the Hawaii Constitutional intent of preserving and conserving agricultural lands and uses in the State. Provides that any such prohibited restrictions are voidable subject to special restrictions enacted by county ordinance.

Puukapu Homestead Bridge Demolition. (SB254, SD2, HD1, CD1) Amends an existing appropriation of capital improvement funds to provide for the demolition of the bridge in the Puukapu Homesteads, Second Series Puukapu, South Kohala, Island of Hawaii, and the construction of a new vehicular access bridge.

University of Hawaii Research and Development; Appropriation. (SB534, SD2, HD1, CD1) Appropriates \$400,000 to the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa for research and development of high-value food, plant, and fiber products, and the development of pest, disease, and nutrient management systems and bioremediation technologies.

OTHER ISSUES

Agricultural Water Use and Development Plan. (SB1256; Act 11) Extends the time specified for submission to the Legislature of the state agricultural water use and development plan from the 2002 Regular Session to the 2004 Regular Session.

Food Security, Product Traceability, Seed Purity; Certifications and Audits. (SB1255, SD2, HD1; Act 49) Establishes two new parts in chapter 147, HRS, to: (1) authorize the Department of Agriculture (DOA) to enter into cooperative agreements with the U.S. Department of Agriculture (USDOA) and contracts with private and other public entities for auditing and certifying good agricultural handling, processing, and manufacturing processes and maintaining food security and product traceability; and (2) designate DOA as the official certifying agency and authorizing it to enter into cooperative agreements with the USDOA and contracts with other private and public entities to certify seed for genetic purity, identity, quality, and condition. Authorizes the DOA for both food safety and seed certifications, to: collect fees for certification and audit services; designate any DOA employee or agent to conduct the audits and certifications; and employ temporary inspectors for certification and auditing services. Renames the marketing order revolving fund as the certification services revolving

fund (CSRF). Repeals the coffee inspection revolving fund and transfers all moneys contained therein to the CSRF.

Theft of Agricultural Products. (SB550, SD1; Act 20) Strengthens the State's agricultural theft laws by including silvicultural products in the definition of agricultural products, removing the monetary value and weight requirements that trigger the need for a certificate of ownership for the sale or resale of agricultural products, and allowing the Department of Agriculture to use any other persons to assist with investigation and enforcement.

II. Lands

CONSERVATION AND PRESERVATION

Conservation Districts; Penalties for Violations Within. (SB1415; Act 16) Allows the Board of Land and Natural Resources to: (1) charge violators for costs associated with land or habitat restoration after an illegal land use; (2) impose fines for each violation; and (3) provide verbal notification before imposing the additional per day fine if the violation persists.

Historic Property, Burial Sites on Private Lands; Protection During Land Development or Alteration Activities. (HB1285, HD1, SD1, CD1) Extends the same protections and penalties provided for historic property or burial sites found on public lands for damage to historic property or burial sites discovered on private lands in the course of land development or land alteration activities. Prohibits the taking, appropriation, excavation, injury, destruction, or alteration of any historic property or burial site without the required approval. Requires a person who inadvertently discovers a burial site or human remains to stop all work in the immediate area and report the find. Establishes an enforcement provision allowing the Board of Land and Natural Resources (Board) to serve written notice on any alleged violators of historic preservation laws. Provides that if the violator continues past notification, another notices will be served, requiring the violator to submit a schedule, within 30 days, specifying how the person will come into compliance. Requires the violator to cease and desist if no schedule is submitted or approved, and authorizes the Board to impose fines that will be due and payable within 20 days. Authorizes the Board to institute a civil action if fines are not paid. Provides that land development or land alteration activities on private lands containing historic property or burial sites, other than development or alterations relating to family burial plots shall require the review of site by, and approval from, the Historic Preservation Office in accordance with the historic preservation law. Provides for administrative and civil penalties, the latter of which cannot be less than \$50, nor more than \$10,000, per offense, with each day of each violation being a separate offense.

North Kohala; Historical Sites. (HB1613, HD2, SD1, CD1) Requires the Department of Land and Natural Resources to renew its efforts to acquire the lands adjacent to the Kohala Historical Sites State Monument through the exchange of state lands to preserve and protect a cluster of historical sites in North Kohala on the Island of Hawaii. Specifies the parcels by tax map keys. Allows the Mookini Luakini Corporation to protect and care for the Mookini Heiau site.

South Kona Wilderness Area. (HB1509, HD2, SD2, CD1; Act 59) Establishes the South Kona wilderness area to be administered by the Department of Land and Natural Resources (DLNR) for the preservation of visual, cultural, and historic aspects of the lands therein. Declares that the wilderness area shall include Honomalino, Okoe, Kapu'a, Kaulanamauna, and Manuka. Requires DLNR to develop a comprehensive management plan for the area to preserve and protect historic sites and

native species and for recreational uses. Allows and encourages contract with nonprofits for the plan development and management of the South Kona wilderness area. Prohibits construction of new homes or other structures within 1,000 feet of the shoreline of the South Kona wilderness area and subdivision of lots. Authorizes DLNR to acquire private lands for the wilderness area through state land exchanges that must be consummated by 12/31/06, with costs for any land exchange to be borne by the private landowner or by private funds, grants, or contributions.

MANAGEMENT

Accreted Lands. (HB192, HD1, SD1, CD1; Act 73) Includes accreted lands, which are lands formed by the accumulation of land on a beach or shore along the ocean by natural forces, in the definition of state public lands. Provides that only the State and certain private property owners whose eroded land that has since been restored by accretion, may file an accretion claim to regain title to the accreted lands. Requires the applicant to provide the notice of the application for registration of accreted lands for publication in the Office of Environmental Quality Control's (OEQC) periodic bulletin. Allows only the State to quiet title to lands accreted along the ocean. Prohibits Land Court or circuit courts from quieting title to accreted lands unless OEQC publishes notice of the application.

High Technology Development Corporation; Control of HTDC Lands. (SB1281, SD1, HD1) Exempts all lands held by the High Technology Development Corporation from the "public lands" definition in section 171-2, HRS, thereby removing them from the purview of the Department of Land and Natural Resources.

Land Exchange Between the State of Hawaii and the Aloha Council Boy Scouts of America. (HB83, HD1; Act 27) Authorizes the exchange between the State and the Aloha Council Boys Scouts of America of private lands in Waikale, Oahu, owned by the Aloha Council Boys Scouts of America, for public lands located on the islands of Oahu, Kauai, and Hawaii, owned by the State and currently leased to the Boys Scouts. Requires that an exchange deed be executed; the conveyance in the fee simple deed to the State of all right, title, and interest to the property; and the lands transferred to the State assume the same public land trust status as the lands transferred to the Aloha Council Boy Scouts of America.

Land Exchange Disapprovals. (HB1212, HD1, SD1; Act 75) Amends the legislative process for land exchanges by making the legislative disapproval process occur after the Board of Land and Natural Resources' preliminary approval of the land exchange, but before the final execution of the exchange deeds.

Long-Term Leases; Reissuance of Certain Kauai Leases. (HB426, HD1, SD2, CD1) Directs the Board of Land and Natural Resources to issue new, long-term leases to existing lessees for specific parcels in Wailua and Lihue on Kauai. Allows the Board of Land and Natural Resources (BLNR) to offer the new leases at auction to other prospective lessees, provided that the successful bidder pay the existing lessee the current fair market value of the improvements owned by the lessee. Requires the prospective lessee to bear all costs associated with determining the current fair market value and the request for proposals for the new lease. Requires the new lease to contain appropriate conditions including requiring that the properties be used for hotels, resorts, or timeshares, and a statement that the BLNR's consent to any transfer or assignment of the lease shall not be conditioned on the lessee's payment of any premium to the lessor.

Public Land Liability; Dangerous Natural Conditions; Warning Signs. (HB1214, HD2, SD2, CD1)

Establishes a risk management procedure for improved public lands that includes installation and maintenance of warning signs. Provides that such signs, once posted and if properly maintained, provide the State and counties with a conclusive presumption of a legally adequate warning and protection from liability for damages caused by the dangerous natural conditions warned of. Requires the Board of Land and Natural Resources (BLNR) to review any comprehensive plan for warning of dangerous natural conditions submitted by the State or a county. Requires the State and counties to maintain a documented sign inspection program to be conducted by a park caretaker or other authorized person and to implement an accident reporting and record-keeping program for improved public lands. Provides that the conclusive presumption will continue for 120 days after the last inspection documenting that the sign was in place and legible. Establishes a risk assessment working group to be attached to the Department of Land and Natural Resources to provide consultation about the design and placement of warning signs or systems and any comprehensive state plan. Requires the working group to submit a report on its recommendations and of the consultation provided to the BLNR to the Legislature before each Regular Session. Declares that the State or county does not have a duty to warn of dangerous natural conditions on unimproved public lands. Defines improved public lands as those designated in the State or a county's parks system and part of the statewide trail and access system, but does not include buildings and structures on those lands, or beaches or submerged lands. Repeals law on 6/30/08.

WATER RESOURCES

Department of Transportation's Maritime-Related Uses. (SB1403, HD1, CD1) Gives the Harbors Division of the Department of Transportation greater flexibility in leasing its harbor lands and facilities to a broader variety of potential uses and users, subject to the approval of the Board of Land and Natural Resources, by including maritime-related activities. Defines "maritime-related" as a purpose or activity related to the loading, off-loading, storage, or distribution of goods and services of the maritime industry.

Water Commission; Hawaiian Cultural Practitioner Member. (SB1594, HD1) Increases the membership of the Commission on Water Resource Management from six to seven and requires that at least one member have substantial experience and expertise in traditional Hawaiian water resource management techniques and in traditional riparian usage.

Resolutions Adopted

I. Agriculture

Agriculture Working Group; Continuation and Support. (HCR157, HD1) Recognizes the ongoing work of the Agriculture Working Group to formulate appropriate land use policies, attract Hawaii's youth to farming, and requests it to continue to assist the State and the Legislature to fulfill the mandates of article XI, section 3 of the State Constitution. Notes that the constitutional mandates include the: (1) conservation and protection of agricultural lands; (2) promotion of diversified agriculture; (3) increase of agricultural self-sufficiency; (4) assurance of the availability of agriculturally suitable lands; and (5) establishment of standards and criteria for identifying important agricultural lands. Encourages the Working Group to continue addressing pertinent issues, including: (1) state and county jurisdictional issues; (2) criteria and qualifications of agricultural lands; (3) land use models and tools; (4) provision of

educational assistance, land, start-up capital and business acumen to attract youth to farming; (5) increasing minimum lot sizes; and (6) purchase and transfer of developmental rights. Establishes that the Office of Planning will provide support to the working group for preparing proposed legislation for consideration in the 2004 Regular Session.

Chocolate; Diversified Agriculture; Support for Industry. (HCR216) Supports the potential benefits of Hawaii-grown and Hawaii-produced chocolate to the State's economy through job creation and revenue generation in diversified agriculture, production, and processing industries.

II. Lands

Ahupua'a Preservation. (SR142) Requests state and county governments to perpetuate and follow the concept of the Hawaiian ahupua'a resource management system, with as much help as possible of the private sector, on government-owned lands when any site known as an ahupua'a has been acquired by a government entity.

Keehi Lagoon; Leasing of Unutilized Fast and Submerged Lands. (HCR68, HD1) Requests the Board of Land and Natural Resources (BLNR) to meet with all stakeholders and registered users of the lagoon to review and update the 1990 Keehi Lagoon Recreation Plan and discuss the feasibility and means by which unutilized and underutilized areas of Keehi Lagoon may be productively used. Requests the BLNR to explore the leasing of unutilized fast and submerged lands, except those within the Keehi Small Boat Harbor or used by canoe paddlers for private development of boating and ocean facilities. Forbids the Department of Land and Natural Resources' (DLNR) from interpreting the Legislature's adoption of this concurrent resolution as satisfaction of the requirements under section 171-53(c), HRS, which allow the adoption of a concurrent resolution to serve as legislative approval of the leasing of state submerged and tidal lands. Requests the Governor to consider transferring Department of Transportation lands in or around Keehi Lagoon to DLNR if the lands are suitable for development of small boat and ocean recreational facilities.

Land Use Policies; State and Counties; Solid Waste Management Programs. (SCR153, SD1) Requests the Auditor to investigate and assess the adequacy of the State and counties' land use policies that are used to determine where solid waste landfills are located. Requires that the assessment at least include: (1) existing total landfill capacity; (2) urgency of establishing another landfill on Oahu; (3) whether the State and counties are in regulatory compliance; (4) human health impacts of siting landfills above public underground drinking water sources, above sole source aquifers, and near particular communities that may be overburdened with nearby landfills; (5) fees charged for landfill use and how those moneys are used; (6) provisions of the federal Safe Drinking Water Act; (7) compliance record of public and private waste disposal programs; and (8) environmental justice issues. Requests the Auditor to report the results of the investigation to the 2004 Regular Session.

Public Leases; Kauai Beachfront Hotel, LLC. (HCR223, HD1) Requests the Board of Land and Natural Resources to authorize the cancellation of certain public leases held by Kauai Beachfront Hotel, LLC; to issue a new lease on the lands, subject to conditions; and to auction the lands if a willing and able bidder is found for the lands' re-lease who will also pay the lessee the fair market value of the improvements. Lists as conditions for re-lease: (1) including use for hotel, resort, or timeshare purposes; (2) if the new lease is awarded to the original lessee, it be for a term no longer than 65 years; and (3) that no transfer or assignment of the lease shall be conditioned on the lessee's payment to the lessor of any premium.

Windward Ahupua'a Alliance; Community Stewardship Programs; Support. (SR143) Supports the community stewardship programs and activities created by the Windward Ahupua'a Alliance to restore, preserve, and promote access to the mauka lands along the Ko'olau mountain range, and the Ko'olau Greenbelt and Heritage Trails System.

WAYS AND MEANS

The Committee on Ways and Means has jurisdiction over programs relating to overall state financing policies, including taxation and other revenues, cash and debt management, and statewide implementation of planning, programming, budgeting, and evaluation; government structure and finance.

Bills Passed

I. Fiscal Matters

Auditor; Audit Revolving Fund. (HB282, HD2, SD1, CD1) Enables the Office of the Auditor to obtain reimbursement for conducting, or contracting to conduct, financial audits of all state and county departments, offices, and agencies, and various types of funds. Requires that all state and county departments, offices, and agencies transmit to the Auditor any reimbursements received when any part of the costs of financial audits conducted by or through the Auditor are reimbursable by moneys appropriated to or generated by them. Establishes the audit revolving fund to be administered by the Auditor and to consist of reimbursement and other moneys received from state and county departments, offices, and agencies, legislative appropriations, and interest and investment earnings credited to the fund. Authorizes the Auditor to expend audit revolving fund moneys on costs associated with conducting audits and for hiring certified public accountants.

Emergency and Budget Reserve Fund, Transfers to the Department of Health; Appropriations for Hawaii Rx Program. (SB1305, SD1, HD1, CD1) Appropriates funds from the emergency and budget reserve fund for the following health and human services and programs: Hale Mahaolu personal care program for disabled or chronically ill frail adults and elders in Maui County (\$90,000); treatment services for child victims of intrafamilial sexual abuse (\$200,000); forensic medical examinations of children in foster custody placements (\$150,000); Hawaii Youth Services Network's transitional living program for unserved street youth (\$100,000); substance abuse services for youth and adolescents (\$100,000); residential alternative community care program (\$1,000,000); chore services program (\$200,000); bridge to hope program (\$300,000); Volunteer Legal Services Hawaii, Na Keiki Law Center (\$200,000); Kaneohe Community Family Center (\$100,000); Kuhio Park Terrace Family Center (\$100,000); Waipahu Community Adult Day Health Center and Youth Day Care Center pilot project (\$300,000); Domestic Violence Clearinghouse and Legal Hotline for Maui (\$150,000); Blueprint for Change (\$421,000); Housing and Community Development Corporation of Hawaii's homeless assistance program (\$150,000); existing Kalihi area youth service centers (\$500,000); subsidy to Molokai General Hospital (\$750,000); grant to Molokai General Hospital for its Lamalama Ka'ili Community Health Services program (\$50,000); subsidy to Kahuku Hospital for operational expenses (\$750,000); subsidy to the Waianae Coast Comprehensive Health and Hospital Board, Inc. for operational expenses (\$750,000); subsidy for Wahiawa General Hospital to provide indigent care services (\$500,000); subsidy for St. Francis Medical Center's Bone Marrow Donor Registry (\$50,000); 24-hour operation of a hospital-based poison center (\$200,000); Maui AIDS Foundation case management program (\$75,000); subsidy to the Hana Community Health Clinic for operational expenses (\$700,000); to the Department of Health for nonprofit, community-based health-care providers to care for the uninsured (\$1,450,000); subsidy for the Kapiolani Medical Center's Women and Children Sex Abuse Treatment Center (\$300,000); an adolescent treatment center for poly-drug use on the Island of

Hawaii (\$300,000); community anti-drug efforts against crystal methamphetamine on the Island of Hawaii (\$100,000); and comprehensive oral health services to underserved children (\$450,000).

General Obligation Bonds; Authorization of Issuance. (SB582, HD1, CD1) Authorizes the issuance of general obligation bonds for the amounts established by the Executive and Judiciary Budgets of 2003 (HB200, HD1, SD1, CD1, and HB808, HD1, SD2, CD1, respectively), to finance projects. Limits the issuance of general obligation bonds to not more than \$406,980,000. Declares that the issuance of such bonds will not cause the State's debt limit to be exceeded at the time of the bonds' issuance.

Health and Human Services; Emergency Appropriation; Children's Health Programs. (SB585, SD1, HD1, CD1; Act 57) Makes an emergency appropriation of unexpended, accumulated funds of \$6,259,886 out of the tobacco settlement special fund from the Department of Health to the Department of Human Services for children's health care programs during the fiscal year 2002-2003.

Legislature, Legislative Service Agencies; Appropriations for Expenses. (HB1, HD1; Act 1) Appropriates funds for FY 2003-2004 to provide for the expenses of the Legislature (\$5,256,084 – Senate; \$7,545,077 – House), the Auditor (\$3,186,672, including \$717,900 for the State Ethics Commission and including \$150,000 for all other expenses such as performing special studies and fulfilling other special requests made by the Auditor), the Legislative Reference Bureau (\$2,573,589), the Ombudsman (\$813,948), the Legislative Information System (\$600,000 – Senate; \$600,000 – House), and the Legislative Broadcast Program (\$175,000).

Office of Hawaiian Affairs; Ceded Land Payments. (HB1307, HD1, SD1; Act 34) Appropriates funds from the general fund and certain special funds for deposit into the Office of Hawaiian Affairs (OHA) public land trust proceeds trust fund, as an interim satisfaction of the State's obligations, representing the 20% of receipts for the use of lands in the public land trust that were not transferred to OHA but deposited instead into various funds after the Hawaii Supreme Court decision in OHA v. State, 96 Hawaii 388 (2001). Specifies the funds and the amounts to be transferred to the public land trust proceeds trust fund for fiscal year 2002-2003, as follows: (1) \$2,041,852, out of the general fund; (2) \$21,313, out of the state parking revolving fund; (3) \$46,211, out of the agricultural park special fund; (4) \$38,201, out of the state educational facilities improvement special fund; (5) \$108,322, out of the foreign-trade zones special fund; (6) \$132,568, out of the natural energy laboratory of Hawaii authority special fund; (7) \$945 out of the Hawaii community development revolving fund; (8) \$975,801, out of the boating special fund; (9) \$157,322, out of the special land and development fund; (10) \$455,422, out of the state parks special fund; (11) \$5,509,560, out of the harbor special fund; (12) \$28,068, out of the beach restoration special fund; and (13) \$37,388, out of the water resource management fund.

Special and Revolving Fund Repeals; Transfers to General Fund; Housekeeping. (HB1152, HD1, SD1, CD2) Repeals the following special and revolving funds: petroleum products control fund, Hawaii film facility special fund, clean Hawaii fund, Hawaii innovation development fund, statewide planning and geographic information system special fund, Hawaii capital loan revolving fund, and Hawaii strategic development corporation revolving fund. Transfers all unexpended and unencumbered balances of the above funds to the state general fund.

Special Funds; Central Services and Pro Rata Administrative Expenses; Exemption Repealed for Certain Funds. (SB1311, SD1, HD1) Repeals the exemption provided to the domestic violence prevention special fund, two spouse and child abuse special accounts, special funds of the Department of Commerce and Consumer Affairs, compliance resolution fund, Hawaii tobacco settlement special fund, probation services special fund, high technology special fund, cigarette tax stamp enforcement

special fund, cigarette tax stamp administrative special fund, and the tobacco enforcement special fund from the assessment of central services expenses and pro rata share of departmental administrative expenses. Appropriates funds out of the cigarette tax stamp enforcement special fund, cigarette tax stamp administrative special fund, tobacco special fund, spouse and child abuse special account, and compliance resolution fund to pay for the central services and administrative expenses.

State Budget. (HB200, HD1, SD1, CD1) Appropriates funds for the operation of Executive Branch agencies for fiscal year 2003-2004 (see Budget Summary section for funding details).

II. Tax Matters

Delinquent Taxes; Penalty and Interest Waivers; Tax Investigators. (SB1400, SD1, HD1) Authorizes the Director of Taxation (Director) to hire civil service exempt tax investigators that have all the powers of police officers and deputy sheriffs. Authorizes the Department of Taxation (Department) to compromise a claim where the tax is \$50,000 or less, exclusive of penalties and interest, without the Governor's approval, and to seek the Governor's approval to compromise any tax claim where the Director deems it appropriate. Requires the Department to post each proposed compromise on its Internet website for five calendar days before signing the compromise. Allows the Department to waive penalties and interest for taxes that are delinquent for more than 90 days in appropriate circumstances.

Estimated Payments; Tax Return Extensions. (SB1396; Act 14) Corrects an inadvertent regressive effect on taxpayers with adjusted gross incomes (AGIs) of \$50,000 or less created by Act 190, Session Laws of Hawaii 2002, which amended the payment threshold for avoiding the estimated tax underpayment penalty. Conforms Hawaii's laws to the Internal Revenue Code section 6654(d)(1) by lowering the minimum estimated tax payment from 110% to 100% for prior year returns. Removes the ambiguity of competing provisions relating to the Department of Taxation's ability to grant extensions of time to file net income tax returns.

Obsolete Tax Laws; Amendment or Repeal; Housekeeping. (SB1395, SD1, HD1, CD1) Updates and clarifies the terminology of Hawaii income tax and general excise tax laws to help the Department of Taxation administer the state tax laws more efficiently and provide better service to Hawaii's taxpayers. Provides a definition for "retailing" under general excise tax laws. Repeals the county surcharge excise tax credit, and the laws relating to the administration and disposition of proceeds of the county general excise and use tax surcharge, tax on certain retailing, and the tax exemption for motion picture or television producers.

State Income Tax Law; Conformance with Federal Internal Revenue Code. (SB1394, SD2, HD1) Updates Hawaii income tax laws to conform with the federal Internal Revenue Code (IRC) of 1986, as amended as of 12/31/01. Provides that the extraterritorial income provision of the IRC is not operative in Hawaii. Provides that the accelerated cost recovery system provision of the IRC is operative in Hawaii, except for the additional tax provisions. Provides that, with regard to gross income, adjusted gross income, and taxable income, the five-year carryback period for net operating losses for any taxable year ending during 2001 and 2002 of the IRC is not operative in Hawaii.

Streamlined Sales and Use Tax Agreement; State Participation Authorized. (SB1397, SD1, HD2) Authorizes the State's participation in multistate discussions relating to the Streamlined Sales Tax

Project, which is a nationwide effort being undertaken by numerous states to reduce the burden of tax compliance for all sellers and for all types of commerce. Requires the Department of Taxation to regularly consult with an advisory council regarding the discussions. Requires that the advisory council consist of not more than five members appointed by the Governor. Authorizes the Department of Taxation (DTAX) to enter into the streamlined sales and use tax agreement with one or more states; provided the agreement requires each state to abide by certain specified requirements. Provides that any such authorized agreement binds and inures only to the benefit of its member states, and precludes any cause of action or defense under the agreement. Limits the liability of a seller that contracts with a certified service provider for sales or use taxes due on transactions processed by the certified service provider. Requires DTAX upon the State's entering into an agreement to prepare legislation to conform state law as necessary for submission to the Legislature.

BUDGET SUMMARY

Economic Challenges

The Legislature was faced with a level of fiscal uncertainty during the 2003 legislative session that was unprecedented in our State's history. Declining projected revenues coupled with increasing fiscal demands impacted the development of the budget, which required setting state priorities in a time of valid competing needs. Many other states faced similar challenges, especially in trying to balance their budgets in the face of increasing needs due to higher unemployment and increasing demands for healthcare services. While Hawaii is not alone, it is presented with its own unique economic challenges. Hawaii's economic health is strongly correlated to the health of the visitor industry – the State's primary economic engine. Unfortunately, declining number of visitors due to the war in Iraq and the downturn in foreign economies, has resulted in predictions of slow to no growth in our visitor industry. Additionally, the outbreak of severe acute respiratory syndrome (SARS), added to the prehension of international visitors traveling during this epidemic. Thus, based upon a prediction of declining revenues in the short-term, the budget had to be balanced using reductions in current services and supplemental funding from non-general funds. With regard to tapping special funds, Hawaii is not alone, in that 28 other states have been compelled to tap various special funds to meet budget shortfalls. The Legislature, within this budget, identified more than \$75 million in non-general fund cash to transfer to the general fund to adequately fund core program priorities in the Departments of Education, Health, and Human Services. Additionally, the Legislature chose to reduce or partially fund positions vacant since 12/31/01. Finally, the Legislature reduced funds for travel throughout the State and reduced funds for overtime payments at Hawaii correctional facilities, which were significantly more than the national average.

Budget Balancing

In balancing this budget, the Legislature was cognizant of its legal obligations and funded increased mandated costs in the areas of non-discretionary payment such as health fund premiums, Employee's Retirement System, and general obligation bond issues. In the area of bond issues, the Legislature recognizes the efforts of the Administration to save general funds through bond restructuring and re-financing to take advantage of lower interest rates.

To control the cost of debt service, the Legislature took a fiscally prudent approach to the State's capital improvements program by reducing the Administration's proposed \$554 million capital improvements budget to \$404 million. Within this lower funding level, the Legislature provided for all Department of Education school projects as requested by the Administration, as well as additional school priorities. A total of \$192 million was provided for construction of new school facilities and for major repair and maintenance projects, and \$30 million was approved for new university facilities and infrastructure.

Supporting Core Government Functions

PUBLIC SCHOOL SYSTEM

In reviewing the myriad needs of the public school systems, the Legislature scrutinized the Administration's recommendations and the Department of Education's request, to ensure that reductions or adjustments made to the budget would not adversely affect its mandated

responsibilities. The Legislature approved transfers of surplus funds from the school food services program to cover salary shortfalls and for textbooks and supplies. Additionally, funds for special needs students currently budgeted within the Department of Health were transferred to the Department of Education and temporary school-based services positions within the schools were converted to permanent positions. Finally, the Legislature provided additional funding for new century charter schools with the understanding that funds must be allocated based upon the statutorily determined amount adopted during this legislative session.

UNIVERSITY SYSTEM

The Legislature sought to restore proposed reductions of \$3.2 million in each fiscal year, which would have adversely impacted the Hilo campus, West Oahu campus, and all the community colleges. However, the Legislature was only able to restore \$1.7 million, due to continuing fiscal constraints.

ESSENTIAL HEALTHCARE SERVICES

Upon review of the Administration's request, the Legislature restored funds to the dentistry residency program for disabled patients, for emergency medical services equipment, and positions for the re-defined mission of the Disabilities Support Branch. Additionally, the Legislature re-affirmed its commitment to adult mental health programs by providing adequate funds and positions to meet projected workload based upon a utilization management model adopted by the Adult Mental Health Division, and to ensure ongoing compliance with the Hawaii State Hospital Remedial Plan for Compliance. Finally, the Legislature, after careful scrutiny and ongoing dialogue with Hawaii Health Systems Corporation leadership, provided a general fund subsidy of \$23.7 million in support of the HHSC, due to its key role as a provider of health services in rural areas of our State. However, the Legislature remains concerned about the execution and management of certain hospital contracts and will continue to monitor these and other HHSC expenditures.

MAINTAINING THE SAFETY NET

In recognizing Hawaii's role in the Compact of Free Association (CFA), the Legislature preserved funding for CFA recipients of Med-Quest and other programs available to CFA migrants, with the understanding that the administration will proactively pursue additional federal assistance that is due to Hawaii based upon our CFA participation. Welfare reform has emphasized workforce preparation and self-sufficiency, with the aim of reducing demand for general assistance. However, in the Med-Quest program, additional funds were provided to meet projected increased program demands due to soaring medical costs, especially for prescription drugs. Additionally, increased funding was also provided to support payments for placement of children who are victims of child abuse and neglect.

Conclusion

The Legislature believes it has fulfilled its commitment to Hawaii's most vulnerable and most needy citizens, by ensuring adequate funding for education, providing for basic healthcare service, and maintaining the safety net for those who are not able to be self-sufficient, who are elderly, and children who must be protected from harm. The Legislature is hopeful that the State's economy will show signs of recovery through this next fiscal year, so that investments can be made in programs that go beyond meeting basic needs and will result in a better lifestyle for all of Hawaii's people.

BUDGET SUMMARY *continued*

Executive Operating Budget FB 2003-2005 Statewide

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	33,777.82	3,546,546,859	33,777.82	3,546,546,859
	Special	6,890.45	1,321,223,303	6,890.45	1,321,223,303
	Federal	2,148.06	1,132,611,133	2,148.06	1,132,611,133
	Private		127,500		127,500
	County		200,000		200,000
	Trust	21.94	480,827,218	21.94	480,827,218
	Transfers	156.35	573,932,363	156.35	573,932,363
	Revolving	564.65	290,621,269	564.65	290,621,269
	Other	61.00	7,404,006	61.00	7,404,006
	All MOF	43,620.27	7,353,493,651	43,620.27	7,353,493,651

		Pos. 04	FY 04	Pos. 05	FY05
Change	General	745.00	168,624,291	749.00	278,048,322
	Special	27.50	140,080,455	27.50	131,847,517
	Federal	(1.00)	186,054,851	(1.00)	214,954,097
	Private	-	(5,000)	-	(5,000)
	County	-	-	-	-
	Trust	27.00	(444,540,023)	27.00	(441,209,459)
	Transfers	-	6,668,977	-	80,739,676
	Revolving	(21.50)	6,468,967	(21.50)	4,228,716
	Other	6.00	9,893,218	6.00	3,792,354
	All MOF	783.00	73,245,736	787.00	272,396,223

		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	34,522.82	3,715,171,150	34,526.82	3,824,595,181
	Special	6,917.95	1,461,303,758	6,917.95	1,453,070,820
	Federal	2,147.06	1,318,665,984	2,147.06	1,347,565,230
	Private	-	122,500	-	122,500
	County	-	200,000	-	200,000
	Trust	48.94	36,287,195	48.94	39,617,759
	Transfers	156.35	580,601,340	156.35	654,672,039
	Revolving	543.15	297,090,236	543.15	294,849,985
	Other	67.00	17,297,224	67.00	11,196,360
	All MOF	44,403.27	7,426,739,387	44,407.27	7,625,889,874

Capital Improvements Program Budget FB 2003-2005 Statewide

Totals (in 1,000's)

	FY04	FY05
Special Funds	113,658	65,800
G.O. Bonds	254,448	147,327
G.O. Reimbursable Bonds	1,400	650
Revenue Bonds	121,859	28,249
Federal Funds	147,768	67,938
Other Funds	4,800	-
County Funds	430	-
Total (All MOF):	644,363	309,964

BUDGET SUMMARY *continued*

Department of Agriculture

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	236.50	11,518,450	236.50	11,518,450
	Special	59.50	4,267,916	59.50	4,267,916
	Federal	-	853,352	-	853,352
	Trust	-	663,600	-	663,600
	Transfers	1.00	453,646	1.00	453,646
	Revolving	17.50	10,728,169	17.50	10,728,169
	All MOF	314.50	28,485,133	314.50	28,485,133
Change	General	2.00	1,295,525	2.00	1,245,525
	Special	0.50	457,712	0.50	468,710
	Federal	-	57,792	-	57,792
	Trust	-	-	-	-
	Transfers	-	-	-	-
	Revolving	(3.50)	(45,977)	(3.50)	(91,997)
	All MOF	(1.00)	1,765,052	(1.00)	1,680,030
New Total	General	238.50	12,813,975	238.50	12,763,975
	Special	60.00	4,725,628	60.00	4,736,626
	Federal	-	911,144	-	911,144
	Trust	-	663,600	-	663,600
	Transfers	1.00	453,646	1.00	453,646
	Revolving	14.00	10,682,192	14.00	10,636,172
	All MOF	313.50	30,250,185	313.50	30,165,163

Additions:

- \$1.6 million in general funds, \$310,000 in special funds, \$58,000 in federal funds, and \$151,000 in revolving funds for collective bargaining for FY04 and FY05
- 1 permanent general funded Deputy Director and 1 permanent general funded Private Secretary for FY04 and FY05
- \$83,000 in special funds due to fringe benefit rate increases for FY04 and FY05
- \$50,000 in general funds for East Kauai Water Users Cooperative for FY04

Reductions:

- \$159,000 in general funds for vacancies for FY04 and FY05
- \$104,000 in general funds for the 5% discretionary general fund reduction for FY04 and FY05
- 3.5 various permanent positions and \$127,000 in revolving funds for the Agricultural Resource Management Division for FY04 and FY05
- \$60,000 in general funds for research funding for Agribusiness Development and Research for FY04 and FY05
- \$31,000 in general funds for travel for FY04 and FY05

BUDGET SUMMARY *continued*

AGR Cont.-

Capital Improvements Program Budget FB 2003-2005
Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	3,050	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	150	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	3,200	-

BUDGET SUMMARY *continued*

Department of Accounting and General Services

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	826.00	74,903,229	826.00	74,903,229
	Special	48.50	10,247,980	48.50	10,247,980
	Federal	-	738,787	-	738,787
	Transfers	34.00	8,908,270	34.00	8,908,270
	Revolving	45.00	20,546,373	45.00	20,546,373
	All MOF	953.50	115,344,639	953.50	115,344,639
Change	General	2.00	1,256,252	2.00	1,126,252
	Special	-	673,705	-	629,051
	Federal	-	11,549	-	11,549
	Transfers	-	7,573	-	7,573
	Revolving	-	123,811	-	123,811
	All MOF	2.00	2,072,890	2.00	1,898,236
New Total	General	828.00	76,159,481	828.00	76,029,481
	Special	48.50	10,921,685	48.50	10,877,031
	Federal	-	750,336	-	750,336
	Transfers	34.00	8,915,843	34.00	8,915,843
	Revolving	45.00	20,670,184	45.00	20,670,184
	All MOF	955.50	117,417,529	955.50	117,242,875

Additions:

- \$3.7 million in general funds, \$260,000 in special funds, \$12,000 in federal funds, \$8,000 in interdepartmental transfer funds, and \$167,000 in revolving funds for collective bargaining for FY04 and FY05
- 1 permanent general funded Deputy Comptroller and 1 permanent general funded Private Secretary II for FY04 and FY05
- \$100,000 in general funds for the Honolulu Symphony in FY04 and \$30,000 in general funds for the Waianae Coast Culture and Arts Society in FY04 for grants-in-aid

Reductions:

- \$800,000 in vacancies in various means of finance in FY04 and FY05
- \$1.3 million in general funds for the 5% discretionary general fund reduction, which is comprised of \$434,000 for leasing of office space in non-state owned buildings and \$120,000 for security and custodial services at the No. 1 Capitol Building for FY04 and FY05
- \$250,000 in FY 04 in general funds for Maui Arts and Cultural Center grant-in-aid
- \$18,000 for travel for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	650	-
G.O. Bonds	44,050	16,050
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	44,700	16,050

BUDGET SUMMARY *continued*

Department of the Attorney General

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	283.17	20,114,870	283.17	20,114,870
	Special	4.00	503,661	4.00	503,661
	Federal	140.04	24,806,583	140.04	24,806,583
	Trust	13.94	6,563,228	13.94	6,563,228
	Transfers	40.85	6,450,785	40.85	6,450,785
	Revolving	16.00	5,142,150	16.00	5,142,150
	All MOF	498.00	63,581,277	498.00	63,581,277

		Pos. 04	FY 04	Pos. 05	FY05
Change	General	-	2,243,405	-	1,043,405
	Special	11.00	972,298	11.00	939,298
	Federal	-	2,835,098	-	535,098
	Trust	-	58,000	-	58,000
	Transfers	-	428,913	-	428,913
	Revolving	-	304,487	-	304,487
	All MOF	11.00	6,842,201	11.00	3,309,201

		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	283.17	22,358,275	283.17	21,158,275
	Special	15.00	1,475,959	15.00	1,442,959
	Federal	140.04	27,641,681	140.04	25,341,681
	Trust	13.94	6,621,228	13.94	6,621,228
	Transfers	40.85	6,879,698	40.85	6,879,698
	Revolving	16.00	5,446,637	16.00	5,446,637
	All MOF	509.00	70,423,478	509.00	66,890,478

Additions:

- \$1.6 million in general funds, \$32,000 in special funds, \$735,000 in federal funds, \$429,000 in interdepartmental transfer funds, \$58,000 in trust funds, and \$122,000 in revolving funds for collective bargaining for FY04 and FY05
- 11 various permanent positions and \$940,000 in special funds for the Tobacco Enforcement Unit for FY04 and FY05
- \$1.2 million in general funds and \$2.3 million in federal funds for consultant fees for the Keiki System for FY04
- 2 temporary general funded positions for the Tort/Litigation Division for FY04 and FY05
- \$200,000 in revolving funds for Criminal History Improvement Fund for FY04 and FY05

Reductions:

- \$210,000 in various means of finance for vacancies for FY04 and FY05
- \$482,000 for the 5% discretionary general fund reduction, which is comprised of \$244,000 in general funds for the Litigation Fund in FY04 and FY05 and \$53,000 in general funds for the Career Criminal Prosecution and Victim Witness Program for FY04 and FY05
- \$200,000 in federal funds for the Criminal History Improvement Fund for FY04 and FY05

BUDGET SUMMARY *continued*

Department of Business, Economic Development, and Tourism

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	124.75	18,279,012	124.75	18,279,012
	Special	32.50	68,819,943	32.50	68,819,943
	Federal	253.75	96,144,326	253.75	96,144,326
	Trust	-	14,008,563	-	14,008,563
	Revolving	68.00	21,168,260	68.00	21,168,260
	All MOF	479.00	218,420,104	479.00	218,420,104
Change	General	2.00	(40,987)	4.00	149,584
	Special	(2.00)	52,469,872	(2.00)	53,662,018
	Federal	-	1,474,722	-	1,474,722
	Trust	-	-	-	-
	Revolving	(1.00)	(6,375,137)	(1.00)	(6,946,316)
	All MOF	(1.00)	47,528,470	1.00	48,340,008
New Total	General	126.75	18,238,025	128.75	18,428,596
	Special	30.50	121,289,815	30.50	122,481,961
	Federal	253.75	97,619,048	253.75	97,619,048
	Trust	-	14,008,563	-	14,008,563
	Revolving	67.00	14,793,123	67.00	14,221,944
	All MOF	478.00	265,948,574	480.00	266,760,112

Additions:

- \$1 million in general funds, \$247,000 in special funds, \$1.5 million in federal funds, and \$666,000 in revolving funds for collective bargaining in FY04 and FY05
- \$200,000 in revolving funds for Hawaii Community-Based Economic Development Revolving Fund for FY04 and FY05
- 1 permanent general funded Business Loan Officer and 1 permanent general funded Secretary II positions for Business Services in FY05
- \$48 million in special funds for the Convention Center Enterprise Special Fund for FY04 and FY05
- \$4.9 million in special funds for Tourism Special Fund/Hawaii Tourism Authority for FY04 and FY05
- \$260,000 in FY04 and \$525,000 in FY05 in special funds for the Natural Energy Laboratory of Hawaii
- \$205,000 in revolving funds for Hawaii Community Development Authority, Kalaeloa for FY04 and FY05
- \$100,000 in revolving funds for the Teacher Housing Revolving Fund for FY04 and FY05
- \$132,000 in FY04 and \$264,000 in FY05 in special funds for the High Technology Development Corporation

Reductions:

- \$600,000 in various means of finance for vacancies for FY04 and FY05
- \$300,000 in revolving funds for Hawaii Innovation Development Revolving Fund for FY04 and FY05
- \$4 million in revolving funds for Hawaii Capitol Loan Fund for FY04 and FY05
- \$200,000 in special funds for Clean Hawaii Special Fund for FY04 and FY05
- \$100,000 in revolving funds for Petroleum Products Control Fund for FY04 and FY05
- \$4 million in revolving funds for Hawaii Strategic Development Corporation Revolving Fund

BUDGET SUMMARY *continued*

BED Cont.-

- for FY04 and FY05
- \$800,000 in special fund for Hawaii Community Development Authority Bond Fund ceiling for FY04 and FY05
- \$705,000 for the 5% discretionary general fund reduction, which is comprised of \$200,000 in FY04 and \$400,000 in FY05 for conversion in means of finance for the Natural Energy Laboratory of Hawaii from general to special funds, \$373,000 in general funds for Rent Supplement Payments for FY04 and FY05, \$132,000 in FY04 and \$264,000 in FY05 for conversion in means of finance for High Technology Development Corporation from general to special funds

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	1,312	1,327
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	1,312	1,327

BUDGET SUMMARY *continued*

Department of Budget and Finance

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	168.00	525,032,148	168.00	525,032,148
	Special	44.00	5,683,485	44.00	5,683,485
	Trust	-	445,528,072	-	445,528,072
	Transfers	1.00	503,642,017	1.00	503,642,017
	Other	61.00	6,661,026	61.00	6,661,026
	All MOF	274.00	1,486,546,748	274.00	1,486,546,748
Change	General	(19.00)	(30,715,271)	(19.00)	29,176,827
	Special	(1.00)	1,806,560	(1.00)	1,486,991
	Trust	27.00	(438,681,080)	27.00	(439,379,204)
	Transfers	-	4,931,474	-	76,793,313
	Other	6.00	9,893,218	6.00	3,792,354
	All MOF	13.00	(452,765,099)	13.00	(328,129,719)
New Total	General	149.00	494,316,877	149.00	554,208,975
	Special	43.00	7,490,045	43.00	7,170,476
	Trust	27.00	6,846,992	27.00	6,148,868
	Transfers	1.00	508,573,491	1.00	580,435,330
	Other	67.00	16,554,244	67.00	10,453,380
	All MOF	287.00	1,033,781,649	287.00	1,158,417,029

Additions:

- \$1.3 million in general funds, \$237,000 in special funds, and \$402,000 in other funds for collective bargaining for FY04 and FY05
- \$9.8 million in FY04 and \$23 million in FY05 in general funds for health insurance premiums
- \$2.2 million in FY04 and \$4.1 million in FY05 in general funds for Social Security and Medicare due to collective bargaining
- \$6.1 million in FY04 and 35.1 million in FY05 in general funds for the additional State's share of pension accumulation
- \$1.3 million in FY04 and \$888,000 in FY05 in special funds to consolidated and upgrade databases in the Public Utilities Commission
- \$283,000 in FY04 and \$319,000 in FY05 in special funds for fringe benefits
- \$123,000 in FY04 and \$149,000 in FY05 in special funds for central services fees
- 4 various permanent positions and \$408,000 in FY04 and four various permanent positions and \$260,000 in FY05 in trust funds to establish unclaimed property trust fund
- 23 various permanent positions and \$1.7 million in FY04 and 23 various permanent positions and \$1.1 million in FY05 in trust funds for operations of the Employer Union Trust Fund
- \$10.6 million in FY04 and \$27.9 million in FY05 in interdepartmental transfer funds for health insurance premiums
- \$10.3 million in FY04 and \$13 million in FY05 in interdepartmental transfer funds for Social Security and Medicare due to collective bargaining
- \$18.3 million in FY04 and \$59.3 million in FY05 in interdepartmental transfer funds for additional State's share of pension accumulation
- 6 various permanent positions and \$322,000 in other funds for Employees' Retirement System for FY04 and FY05
- \$8.7 million in FY04 and \$2.6 million in FY05 in other funds for reauthorization for new computer system
- \$405,000 in FY04 and \$453,000 in FY05 in other funds for fringe benefits
- \$50,000 in FY04 in other funds for Employees' Retirement System tax manual

BUDGET SUMMARY *continued*

BUF Cont.-

Reductions:

- 3 various permanent positions and \$515,000 in various means of finance for vacancies for FY04 and FY05
- 4 various permanent positions and \$244,000 for conversion in means of finance from general to special funds for Unclaimed Property for FY04 and FY05
- 15 various permanent positions and \$620,000 in general funds for the Hawaii Public Employees Health Fund for FY04 and FY05
- \$47.3 million in FY04 and \$32.1 million in FY05 in general funds for debt service
- \$1.7 million in FY04 and \$1.4 million in FY05 in general funds for arbitrage requirements
- \$38,000 in FY04 and \$68,000 in FY05 in general funds to meet the 5% discretionary general fund reduction
- \$440.7 million in trust funds for Hawaii Employees Health Fund for FY04 and FY05
- \$34.2 in FY04 and \$23.4 million in FY05 in interdepartmental transfer funds for debt service

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	140,166	115,800
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	140,166	115,800

BUDGET SUMMARY *continued*

Department of Commerce and Consumer Affairs

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	Special	330.00	34,408,969	330.00	34,408,969
	Trust	4.00	1,678,880	4.00	1,678,880
	All MOF	334.00	36,087,849	334.00	36,087,849
		Pos. 04	FY 04	Pos. 05	FY05
Change	Special	-	1,994,550	-	1,384,550
	Trust	-	48,066	-	48,066
	All MOF	-	2,042,616	-	1,432,616
		Pos. 04	FY 04	Pos. 05	FY05
New Total	Special	330.00	36,403,519	330.00	35,793,519
	Trust	4.00	1,726,946	4.00	1,726,946
	All MOF	334.00	38,130,465	334.00	37,520,465

Additions:

- \$2.2 million in special funds and \$48,000 in trust funds for collective bargaining for FY04 and FY05
- 5 various permanent positions and \$164,000 in special funds in FY04 and FY05
- \$1.2 million in FY04 and \$610,000 in FY05 in special funds for Education Special Fund underwriter fees

Reductions:

- 5 various permanent positions and \$628,075 in special funds for vacancies for FY04 and FY05
- \$1 million in FY04 and \$1.1 million in FY05 in general funds to meet the 5% discretionary fund reduction

BUDGET SUMMARY *continued*

Department of Defense

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	142.80	9,036,709	142.80	9,036,709
	Federal	43.70	7,728,563	43.70	7,728,563
	All MOF	186.50	16,765,272	186.50	16,765,272
Change	General	2.00	288,478	2.00	288,478
	Federal	-	1,842,857	-	1,842,857
	All MOF	2.00	2,131,335	2.00	2,131,335
New Total	General	144.80	9,325,187	144.80	9,325,187
	Federal	43.70	9,571,420	43.70	9,571,420
	All MOF	188.50	18,896,607	188.50	18,896,607

Additions:

- \$470,000 in general funds and \$163,000 in federal funds for collective bargaining for FY04 and FY05
- 1 permanent general funded Deputy Adjutant General and 1 permanent general funded Private Secretary for FY04 and FY05

Reductions:

- \$97,000 in general funds for the Amelioration of Physical Disasters Fund for a Legislative 5% discretionary general fund reduction for FY04 and FY05
- \$44,000 in general funds for Amelioration of Physical Disasters equipment for FY04 and FY05
- \$11,000 in general funds for travel for FY04 and FY05
- \$24,000 in general funds for motor vehicles for FY04 and FY05
- \$5,000 in general funds for the Hawaii Veteran's Newsletter for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	1,317	1,167
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	100	100
Other Funds	-	-
County Funds	-	-
Total (All MOF):	1,417	1,267

BUDGET SUMMARY *continued*

Department of Education

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	18,672.65	1,322,321,719	18,672.65	1,322,321,719
	Special	728.50	29,325,680	728.50	29,325,680
	Federal	5.00	126,738,475	5.00	126,738,475
	Private	-	-	-	-
	County	-	-	-	-
	Trust	-	3,410,000	-	3,410,000
	Transfers	-	2,728,135	-	2,728,435
	Revolving	-	4,280,000	-	4,280,000
	Other	-	-	-	-
	All MOF	19,406.15	1,488,804,009	19,406.15	1,488,804,309

		Pos. 04	FY 04	Pos. 05	FY05
Change	General	796.50	114,649,705	798.50	165,706,316
	Special	-	15,812,418	-	10,032,540
	Federal	-	70,991,492	-	82,518,943
	Private	-	-	-	-
	County	-	-	-	-
	Trust	-	2,540,000	-	2,540,000
	Transfers	-	5,671,865	-	5,871,565
	Revolving	-	250,000	-	250,000
	Other	-	-	-	-
	All MOF	796.50	209,915,480	798.50	266,919,364

		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	19,469.15	1,436,971,424	19,471.15	1,488,028,035
	Special	728.50	45,138,098	728.50	39,358,220
	Federal	5.00	197,729,967	5.00	209,257,418
	Private	-	-	-	-
	County	-	-	-	-
	Trust	-	5,950,000	-	5,950,000
	Transfers	-	8,400,000	-	8,600,000
	Revolving	-	4,530,000	-	4,530,000
	Other	-	-	-	-
	All MOF	20,202.65	1,698,719,489	20,204.65	1,755,723,673

Additions:

- \$85.7 million in general funds and \$548,000 in federal funds for collective bargaining for FY04 and FY05
- \$14.4 million for FY04 and \$43.8 million for FY05 in general funds for employee pension costs
- \$9.5 million for FY04 and \$12 million for FY05 in general funds for Social Security and Medicare costs
- \$6.4 million for FY04 and \$18.6 million for FY05 in general funds for employee health premium costs
- \$3.2 million for FY04 and \$3.1 million for FY05 in general funds for texts and equipment for new regular education facilities
- 14 permanent custodial positions and \$276,000 for FY04 and 17 permanent custodial positions and \$390,000 for FY05 in general funds for new classrooms/facilities
- 4.5 permanent Student Services Coordinators and \$150,000 for FY04 and 4.5 permanent Student Services Coordinators and \$181,000 for FY05 in general funds for Felix/Special Education programs
- Transfer \$2.4 million for FY04 and \$2.3 million for FY05 in general funds from Food Services

BUDGET SUMMARY *continued*

EDN Cont.-

- for texts, equipment, and supplies for regular education
- Transfer \$1 million for FY04 and \$2.4 million for FY05 in general funds from Food Services for Charter Schools
- Transfer \$1.2 million for FY05 in general funds from Food Services for workers compensation costs
- Transfer \$5.9 million for FY04 and FY05 in general funds from Food Services to Comprehensive Student Support Services for salary shortfall
- Transfer 4 various temporary positions and \$250,000 in general funds from the Department of Health for FY04 and FY05 to reflect the transfer of the Childrens' Community Council Office
- Transfer 28.5 various permanent positions and 24 various temporary positions and \$11.9 million in general funds from the Department of Health for FY04 and FY05 for services for children with autism
- Transfer \$14.6 million for FY04 and FY05 in general funds from the Department of Health for services for children with autism for service contracts
- Convert 803 various general funded temporary Felix and Special Education positions to permanent for FY04 and FY05
- \$2.5 million for FY04 and \$2.9 million for FY05 in general funds for Charter Schools
- \$2 million for FY04 and FY05 in general funds for School Safety Managers
- \$405,000 for FY04 in general funds for Nanaikapono Elementary lease rent
- \$1 million for FY04 and 19 various permanent positions and \$1.6 million for FY05 in general funds for opening and operation of Kapolei Library
- Restored general fund reductions proposed by the Governor of \$2.7 million for FY04 and FY05 to Adult Education
- Restored general fund reductions proposed by the Governor of \$8 million for FY04 and FY05 to School Based Budgeting
- \$257,000 in general funds for FY04 for grants-In-aid for Hawaii Congress of Parents, Teachers and Students, Read To Me International, and Frank Delima Student Enrichment program

Reductions:

- \$3 million in general funds due to the 5% discretionary general fund reduction for FY04 and FY05
- \$3 million in general funds from School Support for FY04 and FY05
- \$239,000 in general funds for travel for FY04 and FY05
- 64 permanent general funded elementary teacher positions and \$2 million in general funds for FY04 and 86 permanent general funded elementary teacher positions and \$3 million in general funds for FY05
- \$23 million for FY04 and \$16 million for FY05 in general funds for debt service
- \$550,000 for FY04 and \$566,000 for FY05 in general funds due to the 5% discretionary general fund reduction for the Hawaii State Public Library System
- \$476,000 in general funds for Felix Court Monitor expenses for FY04 and FY05

BUDGET SUMMARY *continued*

EDN Cont.-

Capital Improvements Program Budget FB 2003-2005
Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	72,953	46,300
G.O. Bonds	1,550	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	74,503	46,300

BUDGET SUMMARY *continued*

Office of the Governor

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	38.00	2,347,141	38.00	2,347,141
	Total	38.00	2,347,141	38.00	2,347,141
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	(1.00)	947,850	(1.00)	947,850
	Total	(1.00)	947,850	(1.00)	947,850
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	37.00	3,294,991	37.00	3,294,991
	Total	37.00	3,294,991	37.00	3,294,991

Additions:

- \$242,000 in general funds for collective bargaining for FY04 and FY05
- \$994,000 in general funds for the Executive Chambers for FY04 and FY05

Reductions:

- \$115,00 in general funds for the National Governor's Association Annual Fees and additional 5% legislative reduction for FY04 and FY05
- 1 permanent general funded Secretary position \$117,000 in general funds for vacancy savings and for dues and subscriptions for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005

Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	1	1
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	1	1

BUDGET SUMMARY *continued*

Department of Hawaiian Home Lands

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	29.00	1,196,452	29.00	1,196,452
	Special	87.00	6,079,955	87.00	6,079,955
	All MOF	116.00	7,276,407	116.00	7,276,407
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	-	100,555	-	80,555
	Special	2.00	1,035,388	2.00	1,092,631
	All MOF	2.00	1,135,943	2.00	1,173,186
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	29.00	1,297,007	29.00	1,277,007
	Special	89.00	7,115,343	89.00	7,172,586
	All MOF	118.00	8,412,350	118.00	8,449,593

Additions:

- \$563,000 in general funds and \$148,000 in special funds for collective bargaining for FY04 and FY05
- \$423,000 for FY04 and \$480,000 for FY05 in special funds for fringe benefit rate increase for FY04 and FY05
- \$346,500 in special funds for payment for attorney general legal services for FY04 and FY05
- \$20,000 in general funds for Ka'ala Farms grant-in-aid for FY04

Reductions:

- \$296,000 in special funds for vacancies in FY04 and FY05
- \$67,000 in general funds due to the 5% discretionary general fund reduction for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	600	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	600	-

BUDGET SUMMARY *continued*

Department of Health

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	2,650.85	372,114,355	2,650.85	372,114,355
	Special	2,899.45	325,256,898	2,899.45	325,256,898
	Federal	331.55	88,128,937	331.55	88,128,937
	Trust	-	4,500,000	-	4,500,000
	Transfers	3.00	2,574,974	3.00	2,574,974
	Revolving	62.40	99,753,071	62.40	99,753,071
	All MOF	5,947.25	892,328,235	5,947.25	892,328,235
Change	General	(76.00)	4,497,858	(76.00)	(27,621,002)
	Special	2.00	10,391,483	2.00	10,371,794
	Federal	2.00	12,514,584	2.00	11,901,125
	Trust	-	(4,500,000)	-	(4,500,000)
	Transfers	-	500,000	-	500,000
	Revolving	-	383,659	-	383,659
	All MOF	(72.00)	23,787,584	(72.00)	(8,964,424)
New Total	General	2,574.85	376,612,213	2,574.85	344,493,353
	Special	2,901.45	335,648,381	2,901.45	335,628,692
	Federal	333.55	100,643,521	333.55	100,030,062
	Trust	-	-	-	-
	Transfers	3.00	3,074,974	3.00	3,074,974
	Revolving	62.40	100,136,730	62.40	100,136,730
	All MOF	5,875.25	916,115,819	5,875.25	883,363,811

Additions:

- \$12.6 million in general funds, \$372,240 in special funds, and \$384,000 in revolving funds for collective bargaining for FY04 and FY05
- \$31.2 million in general funds for Hawaii Health Systems Corporation in FY04
- \$1.2 million in FY04 and \$1.5 million in FY05 in general funds to meet Community Plan requirements
- \$2.2 million in general funds for the criminal justice continuum for integrated case management and substance abuse treatment services for FY04 and FY05
- \$12.2 million in FY04 and \$11.47million in FY05 in general funds for Hawaii State Hospital
- 21 various permanent positions and \$1.4 million in FY04 and \$1.2 million in FY05 in general fund restorations to establish the Disabilities Supports Branch within Developmental Disabilities
- 3 various permanent special funded positions and \$1 million in special funds for the Neurotrauma Special Fund for FY04 and FY05
- \$300,000 in general funds for FY04 for the Big Island Substance Abuse Council grant-in-aid
- \$200,000 in general funds for FY04 and FY05 for hospital based general practice dental residency program
- \$217,400 in general funds for FY04 and FY05 for Medicom System equipment for emergency medical services

Reductions:

- 32 various permanent positions and \$1.2 million in general funds for vacancies for FY04 and FY05
- \$17.2 million in general funds for Child and Adolescent Mental Health Division in FY04 and FY05 due to reduction of high-end Felix population from 3,000 to 1,457
- 28.5 various permanent positions and 24 various temporary positions and \$11.9 million in general funds from the Child and Adolescent Mental Health Division in FY04 and FY05 to the Department of Education for contract services for youth with autism spectrum disorders.
- \$2.2 million in general funds for criminal justice continuum for integrated case management and substance abuse treatment services to meet the 5% discretionary general fund reduction

BUDGET SUMMARY *continued*

HTH Cont.-

for FY04 and FY05

- \$700,000 in general funds for Hawaii Health Systems Corporation to meet the 5% discretionary general fund reduction for FY04 and FY05
- \$5.34 million in FY04 and \$5.25 million in FY05 in general funds for Healthy Start to be supplanted by funds from the Tobacco Settlement to meet the 5% discretionary general fund reduction
- \$2.5 million in general funds for Healthy Start contracts for FY04 and FY05
- \$329,000 in general funds for travel for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	24,618	3,697
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	18,482	18,482
Other Funds	-	-
County Funds	-	-
Total (All MOF):	43,100	22,179

BUDGET SUMMARY *continued*

Department of Human Services

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	1,210.19	534,440,883	1,210.19	534,440,883
	Special	-	450,000	-	450,000
	Federal	795.81	675,984,493	795.81	675,984,493
	Private	-	10,000	-	10,000
	Transfers	0.50	37,560,540	0.50	37,560,540
	Revolving	-	1,330,200	-	1,330,200
	All MOF	2,006.50	1,249,776,116	2,006.50	1,249,776,116
Change		Pos. 04	FY 04	Pos. 05	FY05
	General	14.00	38,100,571	14.00	50,371,819
	Special	-	-	-	-
	Federal	-	88,043,447	-	110,945,955
	Private	-	-	-	-
	Transfers	-	(5,124,963)	-	(3,129,477)
	All MOF	14.00	121,019,055	14.00	158,188,297
New Total		Pos. 04	FY 04	Pos. 05	FY05
	General	1,224.19	572,541,454	1,224.19	584,812,702
	Special	-	450,000	-	450,000
	Federal	795.81	764,027,940	795.81	786,930,448
	Private	-	10,000	-	10,000
	Transfers	0.50	32,435,577	0.50	34,431,063
	All MOF	2,020.50	1,370,795,171	2,020.50	1,407,964,413

Additions:

- \$5.9 million in general funds and \$4.6 million in federal funds for collective bargaining for FY04 and FY05
- \$38.5 million in FY04 and \$52 million in FY05 in general funds and \$75.5 million in FY04 and \$93.8 million in FY05 in federal funds for Title XIX Medicaid Program (Med-QUEST)
- \$60,000 in federal funds for FY04 and FY05 to fund an existing permanent position in the Pre-Plus Program
- \$4.3 million in FY04 and \$6.8 million in FY05 in general funds for Child Out-of-Home Payments
- \$38,000 in federal funds for Senior Companion Program for FY04 and FY05
- \$36,000 in federal funds for Foster Grandparent Program for FY04 and FY05
- \$157,000 to develop job opportunities for the disabled on Maui and Hawaii for FY04 and FY05
- \$60,000 in FY04 for grant-in-aid for the Kualoa Heeia Ecumenical Youth Project

Reductions:

- \$216,000 in general funds for vacancies for FY04 and FY05
- \$900,000 in general funds in FY05 for Temporary Assistance to Needy Families to reflect reduction to the 75% level of the TANF Maintenance of Effort requirement
- \$1.4 million in FY04 and \$1.6 million in FY05 in general funds for General Assistance to reflect decreases in program population
- \$7.3 million in general funds for Compacts of Free Association recipients in Med-QUEST due to forthcoming federal assistance for FY05
- \$90,000 in general funds for 2 studies completed in FY03 for FY04 and FY05
- \$50,000 in general funds for hospital care and other expenses for care of person in Youth Residential Programs for FY04 and FY05

BUDGET SUMMARY *continued*

HMS Cont.-

- \$350,000 in general funds and \$500,000 in federal funds in FY04 for HIV/AIDS Community Care and the Medically Fragile programs to reflect decreases in program population
- \$50,000 in general funds for QUEST Phase II Ombudsman due to the cancellation of the implementation of Phase II for FY04 and FY05
- \$67,000 in general funds for travel expenses for FY04 and FY05
- \$3.7 million in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	1,650	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	1,650	-

BUDGET SUMMARY *continued*

Department of Human Resources

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	116.00	13,333,678	116.00	13,333,678
	Special	-	949,846	-	949,846
	Transfers	-	4,886,281	-	4,886,281
	All MOF	116.00	19,169,805	116.00	19,169,805

		Pos. 04	FY 04	Pos. 05	FY05
Change	General	(1.00)	541,079	(1.00)	541,079
	Special	-	(249,846)	-	(249,846)
	Transfers	-	-	-	-
	All MOF	(1.00)	291,233	(1.00)	291,233

		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	115.00	13,874,757	115.00	13,874,757
	Special	-	700,000	-	700,000
	Transfers	-	4,886,281	-	4,886,281
	All MOF	115.00	19,461,038	115.00	19,461,038

Additions:

- \$976,000 in general funds for collective bargaining for FY04 and FY05

Reductions:

- \$26,000 in general funds for vacancies for FY04 and FY05
- \$250,000 in special funds for the In-Service Training and Entrepreneurial Efforts Special fund for FY04 and FY05
- 1 permanent Personnel Program Manager and \$93,000 in general funds for FY04 and FY05
- 1 permanent Auditor V and 1 permanent Personnel Management Specialist and \$309,000 in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05

BUDGET SUMMARY *continued*

Department of Labor

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	246.69	16,102,685	246.69	16,102,685
	Special	4.00	200,435,115	4.00	200,435,115
	Federal	448.90	74,159,246	448.90	74,159,246
	Transfers	-	1,281,438	-	1,281,438
	Revolving	18.00	1,214,852	18.00	1,214,852
	All MOF	717.59	293,193,336	717.59	293,193,336
Change	General	19.00	1,443,314	19.00	1,303,314
	Special	-	(348,398)	-	(348,398)
	Federal	-	3,646,694	-	3,646,694
	Transfers	-	88,606	-	101,980
	Revolving	(18.00)	(1,214,852)	(18.00)	(1,214,852)
	All MOF	1.00	3,615,364	1.00	3,488,738
New Total	General	265.69	17,545,999	265.69	17,405,999
	Special	4.00	200,086,717	4.00	200,086,717
	Federal	448.90	77,805,940	448.90	77,805,940
	Transfers	-	1,370,044	-	1,383,418
	Revolving	-	-	-	-
	All MOF	718.59	296,808,700	718.59	296,682,074

Additions:

- \$1.6 million in general funds, \$168,000 in special funds, \$3.6 million in federal funds and \$202,000 in revolving funds for collective bargaining for FY04 and FY05
- \$89,000 in FY04 and \$102,000 in FY05 in interdepartmental transfer funds for fringe benefit rate increase
- \$161,000 in general funds for the Occupational Safety & Health Training and Assistance Fund for FY04 and FY05
- \$950,000 in general funds for the Boiler & Elevator Safety Fund for FY04 and FY05
- \$40,000 for Kauai Economic Opportunity, \$50,000 for Maui Economic Opportunity, and \$50,000 for Volunteer Resource Center for grants-in-aid in general funds for FY04

Reductions:

- \$123,000 in general funds for vacancies for FY04 and FY05
- \$803,000 in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05
- \$22,000 in general funds for travel for FY04 and FY05
- \$516,000 in special funds due to conversion to general funds for the Occupational Safety & Health Training and Assistance Fund for FY04 and FY05
- \$1.4 million in revolving funds due to conversion from revolving to general funds for the Boiler & Elevator Safety Fund for FY04 and FY05

BUDGET SUMMARY continued

LBR Cont.-

**Capital Improvements Program Budget FB 2003-2005
Departmental Totals (in 1,000's)**

	FY04	FY05
Special Funds	-	-
G.O. Bonds	3,825	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	3,825	-

BUDGET SUMMARY *continued*

Department of Land and Natural Resources

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	503.85	24,404,143	503.85	24,404,143
	Special	195.50	31,460,496	195.50	31,460,496
	Federal	18.65	10,192,062	18.65	10,192,062
	Revolving	1.00	518,019	1.00	518,019
	All MOF	719.00	66,574,720	719.00	66,574,720
Change	General	4.00	1,704,990	4.00	1,704,990
	Special	8.00	1,940,165	8.00	1,731,639
	Federal	-	157,726	-	172,972
	Revolving	-	25,772	-	25,772
	All MOF	12.00	3,828,653	12.00	3,635,373
New Total	General	507.85	26,109,133	507.85	26,109,133
	Special	203.50	33,400,661	203.50	33,192,135
	Federal	18.65	10,349,788	18.65	10,365,034
	Revolving	1.00	543,791	1.00	543,791
	All MOF	731.00	70,403,373	731.00	70,210,093

Additions:

- \$2.5 million in general funds, \$598,000 in special funds, \$114,000 in federal funds and \$26,000 in revolving funds for collective bargaining for FY04 and FY05
- \$250,000 in special funds for a workflow study and various other current expenses in FY04 for Bureau of Conveyances

Reductions:

- \$36,000 in general funds and \$108,000 in special funds for vacancies for FY04 and FY05
- 1 permanent general funded Caretaker position and \$313,300 in FY04 and 1 permanent general funded Caretaker position and \$292,500 in FY05 in general funds for Parks Development and Operation to meet the 5% discretionary general fund reduction
- \$73,000 in general funds for travel in FY04 and FY05
- \$125,700 in general funds for Conservation and Resources Enforcement for delay in hire, vacancy savings and motor vehicle replacement for FY04 and FY05 to meet the 5% discretionary general fund reduction
- \$74,000 in general funds for Aquatic Resources for surveys and eliminating pilot project for artificial habitat for various fish projects for FY04 and FY05 to meet the 5% discretionary general fund reduction
- \$153,500 in general funds for various programs in other current expenses, delays in hire, operating expenses, and vacancy savings for FY04 and FY05 to meet the 5% discretionary general fund reduction

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	7,705	-
G.O. Bonds	3,775	2,375
G.O. Reimbursable Bonds	1,400	650
Revenue Bonds	-	-
Federal Funds	375	375
Other Funds	-	-
County Funds	-	-
Total (All MOF):	13,255	3,400

BUDGET SUMMARY *continued*

Office of the Lieutenant Governor

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	13.00	3,668,007	13.00	3,668,007
	Trust	4.00	4,399,810	4.00	4,399,810
	All MOF	17.00	8,067,817	17.00	8,067,817
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	-	(155,911)	-	(56,317)
	Trust	-	(4,005,009)	-	23,679
	All MOF	-	(4,160,920)	-	(32,638)
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	13.00	3,512,096	13.00	3,611,690
	Trust	4.00	394,801	4.00	4,423,489
	All MOF	17.00	3,906,897	17.00	8,035,179

Additions:

- \$146,000 in general funds and \$24,000 in trust funds for collective bargaining for FY04 and FY05
- \$122,000 in general funds for various personal services costs for FY04 and FY05
- \$20,000 in general funds for additional Troubleshooters on Election Day for FY05

Reductions:

- \$189,000 in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05
- \$100,000 in general funds for the Pre-Plus Early Education Program for FY04 and FY05
- \$62,000 in general funds for Hilo-Homeporting for FY04 and FY05
- \$12,000 in general funds for travel for FY04 and FY05

BUDGET SUMMARY *continued*

Department of Public Safety

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	2,474.03	144,319,282	2,474.03	144,319,282
	Special	6.00	2,317,572	6.00	2,317,572
	Federal	10.00	645,559	10.00	645,559
	County	-	200,000	-	200,000
	Trust	-	75,065	-	75,065
	Transfers	76.00	5,446,277	76.00	5,446,277
	Revolving	13.00	7,962,772	13.00	7,962,772
	Other	-	742,980	-	742,980
	All MOF	2,579.03	161,709,507	2,579.03	161,709,507

		Pos. 04	FY 04	Pos. 05	FY05
Change	General	(1.50)	9,369,987	(1.50)	8,646,339
	Special	-	48,349	-	48,349
	Federal	(3.00)	(104,152)	(3.00)	(104,152)
	County	-	-	-	-
	Trust	-	-	-	-
	Transfers	-	165,509	-	165,509
	Revolving	1.00	122,052	1.00	92,152
	Other	-	-	-	-
	All MOF	(3.50)	9,601,745	(3.50)	8,848,197

		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	2,472.53	153,689,269	2,472.53	152,965,621
	Special	6.00	2,365,921	6.00	2,365,921
	Federal	7.00	541,407	7.00	541,407
	County	-	200,000	-	200,000
	Trust	-	75,065	-	75,065
	Transfers	76.00	5,611,786	76.00	5,611,786
	Revolving	14.00	8,084,824	14.00	8,054,924
	Other	-	742,980	-	742,980
	All MOF	2,575.53	171,311,252	2,575.53	170,557,704

Additions:

- \$9.2 million in general funds, \$48,000 in special funds, \$22,000 in federal funds, \$166,000 in interdepartmental transfer funds, and \$16,000 in revolving funds for collective bargaining for FY04 and FY05
- \$2.8 million in FY04 and \$3 million in FY05 in general funds for inmate medical, drug, and dental costs
- Converted 2 temporary general funded Social Worker IV positions to permanent for FY04 and FY05
- 5 Deputy Sheriff II positions and \$350,000 in general funds for FY04 and FY05

Reductions:

- \$1.5 million in general funds for vacancies for FY04 and FY05
- \$686,000 in FY04 and \$1.6 million in FY05 in general funds for overtime
- \$116,000 in general funds for travel for FY04 and FY05
- \$130,000 in general funds for substance abuse treatment services in Correction Program Services for FY04 and FY05
- 2 permanent positions (Corrections Recreation Specialist and Librarian Assistant IV) and \$175,000 in general funds to meet the 5% discretionary general fund reduction in FY04 and FY05

BUDGET SUMMARY *continued*

PSD Cont.-

Capital Improvements Program Budget FB 2003-2005
Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	5,300	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	5,300	-

BUDGET SUMMARY *continued*

Counties

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	430	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	430	-
Total (All MOF):	860	-

BUDGET SUMMARY *continued*

Department of Taxation

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	330.00	16,669,986	330.00	16,669,986
	Special	-	-	-	-
	All MOF	330.00	16,669,986	330.00	16,669,986
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	2.00	1,664,164	2.00	1,664,164
	Special	-	8,579,542	-	1,494,252
	All MOF	2.00	10,243,706	2.00	3,158,416
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	332.00	18,334,150	332.00	18,334,150
	Special	-	8,579,542	-	1,494,252
	All MOF	332.00	26,913,692	332.00	19,828,402

Additions:

- \$1.7 million in general funds for collective bargaining for FY04 and FY05
- \$140,000 in special funds for the Cigarette Tax Stamp Administrative Special Fund for FY04 and FY05
- \$8.5 million in special funds for the Integrated Tax Information Management System for FY04 and FY05

Reductions:

- No reductions

BUDGET SUMMARY *continued*

Department of Transportation

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	Special	2,269.25	484,534,014	2,269.25	484,534,014
	Federal	3.00	16,678,946	3.00	16,678,946
	Private	-	112,500	-	112,500
	All MOF	2,272.25	501,325,460	2,272.25	501,325,460
Change	Special	7.00	31,137,616	7.00	33,905,242
	Federal	-	4,232,695	-	1,600,195
	Private	-	-	-	-
	All MOF	7.00	35,370,311	7.00	35,505,437
New Total	Special	2,276.25	515,671,630	2,276.25	518,439,256
	Federal	3.00	20,911,641	3.00	18,279,141
	Private	-	112,500	-	112,500
	All MOF	2,279.25	536,695,771	2,279.25	536,830,897

Additions:

- \$8.6 million in special funds and \$32,000 in federal funds for collective bargaining for FY04 and FY05
- \$71.0 million in FY04 and \$81.7 million in FY05 in special funds for special maintenance projects
- \$87,000 in FY04 and \$113,000 in FY05 in special funds for USDA Wildlife Service to assist with hazing and reporting of wildlife hazards
- \$26.9 million in FY04 and \$310,000 in FY05 in special funds for homeland security for airports and harbors
- \$6.9 million in FY04 and \$7.1 million in FY05 in special funds for Office of Hawaiian Affairs ceded land payment
- 3 permanent Civil Engineers positions and \$139,000 in special funds for Maui for FY04 and FY05 for the District Maintenance Engineering Unit
- \$343,000 in FY04 and \$258,000 in FY05 in special funds for operation of a new base yard complex in Kauai
- \$1.5 million in FY04 and \$1 million in FY05 in federal funds for the Blood Alcohol Content incentive grant for highway safety
- \$938,000 for FY04 and \$1 million in FY05 in federal funds for the purpose of providing public transportation in non-urbanized areas
- \$911,000 in FY04 and \$1.2 million in FY05 in special funds to implement FAA security standards and measures

Reductions:

- \$249,000 in special funds for vacancies for FY04 and FY05
- \$4.1 million in FY04 and \$3.2 million in FY05 in special funds for revised debt service requirements due to bond refunding in Highways Division

BUDGET SUMMARY *continued*

TRN Cont.-

Capital Improvements Program Budget FB 2003-2005
Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	32,350	19,500
G.O. Bonds	-	-
G.O. Reimbursable Bonds	-	-
Revenue Bonds	121,859	28,249
Federal Funds	118,661	48,981
Other Funds	4,800	-
County Funds	-	-
Total (All MOF):	277,670	96,730

BUDGET SUMMARY *continued*

University of Hawaii

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	5,712.34	436,749,110	5,712.34	436,749,110
	Special	182.25	116,481,773	182.25	116,481,773
	Federal	97.66	9,811,804	97.66	9,811,804
	Revolving	323.75	117,977,403	323.75	117,977,403
	All MOF	6,316.00	681,020,090	6,316.00	681,020,090
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	-	21,427,727	-	41,727,144
	Special	-	13,359,041	-	15,198,696
	Federal	-	350,347	-	350,347
	Revolving	-	12,895,152	-	11,302,000
	All MOF	-	48,032,267	-	68,578,187
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	5,712.34	458,176,837	5,712.34	478,476,254
	Special	182.25	129,840,814	182.25	131,680,469
	Federal	97.66	10,162,151	97.66	10,162,151
	Revolving	323.75	130,872,555	323.75	129,279,403
	All MOF	6,316.00	729,052,357	6,316.00	749,598,277

Additions:

- \$25.3 million in general funds, \$613,000 in special funds, \$350,000 in federal funds, and \$1.3 million in revolving funds for collective bargaining for FY04 and FY05
- \$3.9 million in FY04 and \$15.5 million in FY05 in general funds for pension accumulation
- \$2.6 million in FY04 and \$3.5 million in FY05 in general funds for Social Security and Medicare
- \$2.7 million in FY04 and \$4.8 million in FY05 in general funds for health insurance premiums
- \$12.8 million in FY04 and \$14.6 million in FY05 in special funds for tuition and fee increases
- \$11.6 million in FY04 and \$10 million in FY05 in revolving funds for principal and interest payments for the University of Hawaii Health and Wellness Center

Reductions:

- \$1.6 million in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05 (UH-Manoa)
- \$196,000 in general funds to meet the 5% discretionary general fund reduction for FY04 and FY05 (UH-Systemwide Support)
- \$10.6 million in FY04 and \$6.5 million in FY05 in general funds for debt restructuring and refinancing
- \$98,000 in FY04 and \$488,000 in FY05 in general funds for debt issuance

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	22,804	6,910
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	10,000	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	32,804	6,910

BUDGET SUMMARY *continued*

Office of Hawaiian Affairs

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	18.50	2,532,663	18.50	2,532,663
	Trust	57.00	4,029,866	57.00	4,029,866
	All MOF	75.50	6,562,529	75.50	6,562,529
		Pos. 04	FY 04	Pos. 05	FY05
Change	General	(7.03)	(16)	(7.25)	(16)
	Trust	(6.47)	951,319	(6.25)	1,021,427
	All MOF	(13.50)	951,303	(13.50)	1,021,411
		Pos. 04	FY 04	Pos. 05	FY05
New Total	General	11.47	2,532,647	11.25	2,532,647
	Trust	50.53	4,981,185	50.75	5,051,293
	All MOF	62.00	7,513,832	62.00	7,583,940

Additions:

- \$81,000 in trust funds for FY04 and FY05 for the Office of the Trustees
- \$1.3 million in trust funds for FY04 and FY05 for Support Services
- Transfer-in \$778,000 in FY04 and \$755,000 in FY05 in general funds for Support Services
- Transfer-in \$9,000 in general funds for FY04 and FY05 for Office of the Trustees

Reductions:

- Transfer-out \$787,000 in FY04 and \$764,000 in FY05 in general funds for Beneficiary Advocacy
- \$476,000 in trust funds for Beneficiary Advocacy for FY04 and FY05
- 7.03 permanent positions in general funds and 6.47 permanent positions in trust funds for FY04 and FY05

BUDGET SUMMARY *continued*

The Judiciary

Operating Budget FB 2003-2005

		Pos. 04	FY 04	Pos. 05	FY05
Base	General	1,779.50	99,071,277	1,779.50	99,071,277
	Special	36.00	6,674,627	36.00	6,674,627
	Revolving	-	243,261	-	243,261
	All MOF	1,815.50	105,989,165	1,815.50	105,989,165
Change	General	20.00	11,851,469	29.00	12,139,117
	Special	-	(131,683)	-	(131,683)
	Revolving	-	-	-	-
	All MOF	20.00	11,719,786	29.00	12,007,434
New Total	General	1,799.50	110,922,746	1,808.50	111,210,394
	Special	36.00	6,542,944	36.00	6,542,944
	Revolving	-	243,261	-	243,261
	All MOF	1,835.50	117,708,951	1,844.50	117,996,599

Additions:

- \$10.3 million in general funds and \$168,000 in special funds for collective bargaining for FY04 and FY05
- 8 various permanent positions and \$614,000 in FY04 and 8 various permanent positions and \$556,000 in FY05 in general funds for the Intermediate Court of Appeals
- \$144,000 in general funds for inflationary increase for the Supreme Court Law Library for FY04 and FY05
- 10 various permanent positions and \$574,000 in FY04 and 10 various permanent positions and \$564,000 in FY05 in general funds for the Juvenile Drug Court for First Judicial Circuit
- \$91,000 in general funds for court interpreters' fees for FY04 and FY05
- 9 various permanent positions and \$344,000 for FY05 in general funds for various maintenance positions for new Kauai Judiciary Complex
- \$18,000 for FY04 and \$30,000 for FY05 in general funds for risk management costs
- \$162,000 in special funds for the Computer Systems special fund for FY04 and FY05 for anticipated purchases

Reductions:

- \$300,000 in special funds for the Indigent Legal Assistance special fund for FY 04 and FY05

Capital Improvements Program Budget FB 2003-2005 Departmental Totals (in 1,000's)

	FY04	FY05
Special Funds	-	-
G.O. Bonds	2,710	445
G.O. Reimbursable Bonds	-	-
Revenue Bonds	-	-
Federal Funds	-	-
Other Funds	-	-
County Funds	-	-
Total (All MOF):	2,710	445

LIST OF MEASURES PASSED by the 2003 Legislature

Commerce, Consumer Protection and Housing

SENATE BILL(S)

SB295, SD1, HD1, CD1	Towing operations; county regulation authorized; storage fees increased
SB373, SD1, HD2 (Act 53)	Condominium; liability of purchaser in nonjudicial foreclosure sale common expenses; acquisition of title upon challenge to order confirming sale or upon debtor's bankruptcy
SB394, HD1	Condominium; notice of intent to claim lien for unpaid common expenses; special assessment authorization extended
SB574, SD1, HD2, CD1	Captive insurance administrator; to report directly to insurance commissioner
SB614, SD1, HD1, CD1	Health insurance fraud; prohibited acts; criminal penalties; immunity from civil liability for fraud reporting; civil action for recovery of benefits
SB1058, SD1, HD1	Captive insurers; insurance commissioner authorized to approve appropriate investments outside of generally permitted investments
SB1077, SD1, HD1 (Act 55)	Insurance continuing education; provider and course requirements; advisory committee
SB1200 SD1, HD1, CD1	Captive insurers; signatories on financial condition statement; applicability of general insurance code provisions; housekeeping
SB1270, SD1 (Act 13)	Antitrust class action; damages
SB1306, HD1 (Act 50)	Telecommunications relay services; surcharge authorized; expedited rulemaking requirement repealed; language conformed to FCC terminology.
SB1319, SD1, HD3, CD1	Revised Uniform Limited Partnership Act
SB1630, HD1, CD1	Planned community associations; election of directors by mail ballot
SB1661, SD2, HD1, CD1	Villages of Kapolei; construction completion deadline; traffic improvements; appropriation

HOUSE BILL(S)

HB75, HD2, SD1	Condominium law recodification; one-year extension; advisory committee expanded
HB78, HD1 (Act 36)	Housing and Community Development Corporation of Hawaii; authority to manage federal funds established
HB123, HD1, SD1	Practice of pharmacy; emergency contraceptives, authorization to dispense
HB135, HD1, SD1, CD1	International matchmaking organizations; notification of right to and provision of Hawaii resident's criminal conviction and marital history information to foreign matchmaking recruits; penalties
HB139, HD1, SD1	Collision damage waivers; payment of commission on overall gross receipts allowed
HB475	Public Utilities Commission; management audit
HB595, HD1, SD1, CD1	Check cashing service; deposit deferred period extended; maximum transaction amount increased
HB640, HD1, SD2, CD1	Loss mitigation grant program; appropriation; retroactive grants
HB730, SD1	Occupational therapists; regulation made permanent; use of occupational therapy assistants authorized; authority to issue temporary permit repealed
HB736, HD1, SD2, CD1	Professional and vocational licenses; sanctions for student loan default; certification of default based on court judgment; financial hardship
HB1160, HD1, SD1	Certified public accountant license examination; requirement of written exam repealed
HB1161, HD1, SD1	Psychologist licensure; licensure based on national certification; senior psychologists
HB1163, SD1	Dental insurers; regulatory oversight extended; examination at discretion of commissioner
HB1164, HD1, SD1, CD1	Insurance producers; retention of workers' compensation claims records
HB1165, HD2, SD1, CD1	Business registration; requirements clarified, corrected, conformed; trademarks and service marks
HB1172 (Act 17)	Securities dealer registration; exemption for banks, savings institutions, and trust companies

HB1328, HD1, SD1	Consumer advocate; mandatory consideration of long-term benefits of renewable resources
HB1361, HD2, SD1, CD1	Medicaid prescription drug program expansion; compliance with Centers for Medicare and Medicaid Services requirements
HB1465, HD2, SD2, CD1	Shipments of wine for personal use; maximum cases increased; permit requirement waived
HB1594, HD1, SD1	Nonprofit corporation; termination of membership under amendment to articles of incorporation or bylaws; advanced approval for indemnification; advancement of expenses
HB1652, SD1, CD1	Medicaid prescription drug rebate special fund; \$500,000 appropriation to support expansion of Medicaid prescription drug program

SENATE CONCURRENT RESOLUTION(S)

SCR33, SD1	ChevronTexaco transfer pricing scheme; litigation urged to recover back taxes
SCR89, SD1	Real property leases; study requested
SCR96	Hawaii Homeownership Center; support expressed
SCR106	Real estate appraiser certification and licensure; on-line education

HOUSE CONCURRENT RESOLUTION(S)

HCR93	Medical savings account; sunrise review
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SENATE RESOLUTION(S)

SR19	Federal public housing tenants; HCDCH study on financial equities between employed tenants and tenants receiving public assistance
SR21, SD1	ChevronTexaco transfer pricing scheme; litigation urged to recover back taxes
SR50, SD1	Hawaii State Homeless Policy Academy; HCDCH report
SR57	Hypnotherapists regulation; sunrise review
SR74	Real estate appraiser certification and licensure; on-line education
SR79, SD1	Public, educational, or governmental programming; state

Economic Development

SENATE BILL(S)

SB837, SD1, HD2, CD1	Workforce development; reporting requirements, comprehensive state plan components
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HOUSE BILL(S)

HB1579, HD1, SD2, CD1	Economic diversification; plans, programs, and initiatives
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SENATE CONCURRENT RESOLUTION(S)

SCR6, SD1, HD1	Big box retailers; effects on local small and medium retail businesses; LRB study
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SCR76, SD1	Small business bill of rights; formulation
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SCR98, SD1	Economic summit; October 2003
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SCR196, SD1	Hawaii film industry; film industry report update
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HOUSE CONCURRENT RESOLUTION(S)

HCR78	United Nations Economic and Social Council's permanent forum on indigenous issues; support
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HCR90	HUBZone empowerment contracting program; criteria re-examination
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HCR128, HD1	Telecommunications and call centers; customer right-to-know; LRB review
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HCR135	Waianae, communities; self-sufficiency task force
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SENATE RESOLUTION(S)

SR23, SD2	State fairgrounds at Aloha Stadium; designation
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SR25, SD1	Hawaii film industry, support funding; identification of alternative sources
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SR41, SD1	Aloha Stadium; renovation
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SR51, SD1	Small business bill of rights; formulation
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SR67, SD1	Economic summit; October 2003
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SR136, SD1	Hawaii film industry; film industry report update
SR139	State parks; enhancement; community-based cultural tourism model

Education

SENATE BILL(S)

SB58, SD1, HD2, CD1	School repair and maintenance; grant-in-aid to Hawaii 3R's public/private program and coordinator position in DAGS
SB69, SD1, HD1	Teacher Education Coordinating Committee; representative from the Hawaii Teacher Standards Board
SB209, SD3, HD1, CD1	Multi-track schools; conversion of positions to 12-month appointments
SB337, SD1, HD1	Business assistant positions; conversion from temporary to permanent status
SB402, SD2, HD2, CD1	Hawaii Medical Education Council established; special fund created to support operations
SB576, HD2, CD1	UH tuition and fees special fund; disclosure and reporting requirements for expenditures from fund for fundraising
SB1237, SD1, HD2, CD1	Out-of-field teaching; statutory definitions for reporting purposes and criminal penalties for failure to report
SB1326, SD1, HD1	Foreign language competency; state standard to allow DOE to offer opportunities for students to develop competency
SB1700, SD1, HD2, CD1	Charter schools; funding formula and administrative agency to support management and operations of charter schools

HOUSE BILL(S)

HB32, HD2, SD2, CD1	Textbooks; schools authorized to impose annual fees; compilation of annual list of textbooks required
HB281, HD1, SD2, CD1	School repair and maintenance; reports to schools on status of R&M projects and DOE prioritization
HB289, HD2, SD2, CD1	School complex areas; 15 school complexes established; alignment and coherence of curricula within each complex required

HB320, HD2, SD1, CD1	UH risk management; option for certain research and educational programs established
HB485	Special purpose revenue bonds; Hanahau'oli School
HB488	Special purpose revenue bonds; Mid-Pacific Institute
HB638, HD1, SD2, CD1	State library system; income tax check-off to donate \$2 of tax refund to state library system
HB939	Special purpose revenue bonds; Hoala School
HB1175, HD2, SD1, CD1	DOE; complex area superintendents creates; salary of deputy, assistant, and complex area superintendents capped at 80% of superintendent
HB1362, SD1, CD1	Special purpose revenue bonds; St. Patrick School
HB1564	Special purpose revenue bonds; Chaminade University

SENATE CONCURRENT RESOLUTION(S)

SCR150	Task Force on Asia-Pacific Education
SCR181	DOE; agreement with Theodora Mallick for the construction of the Paho school gymnasium

HOUSE CONCURRENT RESOLUTION(S)

HCR31, SD1	Patsy Takemoto Mink Equal Opportunity in Education Act (Title IX); U.S. Congressional support requested
HCR117	DOE; real estate transaction agreement for a new elementary school in Kahului Maui
HCR146	No Child Left Behind Act of 2001, additional funds to meet mandates; Hawaii congressional delegation support urged
HCR160, HD1	April designated as "Financial Literacy for Youth in Hawaii Month"
HCR185	Career pathways as a school reform model: DOE urged to implement

SENATE RESOLUTION(S)

SR14	Closed-captioning television to teach reading to students; DOE urged to use
SR18, SD1	Publications to educate parents and guardians about their children's educational programs from grades K-6;

	DOE urged to obtain and distribute
SR31, SD1	UH student financial aid programs; report on the status and effectiveness
SR32, SD1	Public school reform issues; 2003 interim legislative study group to continue dialogue
SR37, SD1	Adult and community education programs; costs and revenue, adoption of state standards and outcome measures; report requested
SR38	Home-schooled students, participation in extracurricular and co-curricular activities; establishment of procedures and guidelines
SR39, SD1	Internment of Japanese Americans during World War II; development of curriculum guidelines for instruction on the historical facts and impacts
SR40	Teacher cadet program to recruit Hawaii's brightest and best for teaching in the public schools; establishment
SR53	UH Systemwide Senior Citizen Visitor Program; implementation
SR65, SD1	Student achievement; longitudinal data, gathering and analysis; annual report
SR83	Rural health science center at UH Hilo; establishment
SR97, SD1	Staff resource allocation to support complex-based management
SR98, SD1	Public and school libraries; strategic plan to address the future
SR99, SD1	Certificated public schools; DOE and UH to collaboratively develop and implement plan to establish
SR101	Academic achievement; identification of effective state practices for raising and narrowing the achievement gap between students; LRB study
SR104, SD1	UH Research Enterprise; development and implementation of a five-year plan
SR129	DOE; agreement with Theodora Mallick for the construction of the Pahoia school gymnasium
SR130, SD1	Drug testing in schools; Senate task force to study

Energy & Environment

SENATE BILL(S)

SB319, SD2, HD1	Food waste recycling program; county requirements established
SB552, SD2, HD2	Invasive species control; landowners' liability limited
SB843, SD1, HD2 (Act 35)	Habitat conservation plans and safe harbor agreements by state and county agencies authorized
SB855, SD1, HD3, CD1	Renewable energy tax credits; established
SB1505, SD1, HD2, CD1	Hawaii invasive species council; statutory establishment

HOUSE BILL(S)

HB10, HD2, SD1, CD1	Electric utilities; fuel mix disclosure required
HB1456, HD1, SD1, CD1	Bottle bill amendments; program components clarified

SENATE RESOLUTION(S)

SR33, SD1	Environmental court study; Chief Justice to convene committee to conduct study
SR62	Light pollution study; DBEDT to conduct study
SR106, SD1	Energy efficiency and renewable energy technologies; DBEDT analysis of use in development districts
SR113, SD1	Emissions working group; motor vehicle and power plant emissions; DOH to convene working group to measure emissions
SR115	Alien aquatic organisms; joint effort urged between DOA and DLNR to stem the tide of alien aquatic organisms

HOUSE CONCURRENT RESOLUTION(S)

HCR172, HD1	Renewable energy systems; investigation of development and implementation of standard offer contracts and standardized interconnection agreements
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Health

SENATE BILL(S)

SB3, SD1	North Hawaii Community Hospital, Inc.; SPRBs
SB658, SD1, HD3	Emergency contraceptives for sexual assault survivors; mandatory dispensation by hospitals
SB740, HD2, CD1	Public health nursing services program; codified in statute
SB745, SD2, HD2, CD1	Emergency aeromedical services; helicopter for Maui County; integration; appropriation
SB748, SD2, HD2, CD1	Nursing education loan program; established
SB1068, SD1, HD2	Honolulu Neighborhood Housing Services, Inc.; SPRBs
SB1088, SD2, HD2, CD1	Long-term care; income tax and tax credit
SB1163	Licensed ambulance service providers; establishment of alcohol and substance abuse policy for employees
SB1241, HD2	Cancer examinations; statewide comprehensive cancer control plan; offering of uterine cytologic examination for women, requirement repealed
SB1279, SD2, HD2, CD1	Tobacco fees and law enforcement; refinement; consolidation of special funds
SB1321, HD2, CD1	Serious mental illness insurance benefits; parity with other insurance benefits made permanent; bipolar types I and II
SB1361, SD2, HD1 (Act 56)	Prescription drugs; generic equivalents; dispensing procedures
SB1446, SD2, HD1, CD1	Cancer detection development revolving fund established; enterprises to develop technology to detect cancer in early stages
SB1469, SD1	Peer support counseling sessions; confidentiality

HOUSE BILL(S)

HB377, HD1, SD1	Pacific Cardiac Institute, Inc.; SPRBs extension to 6/30/08
HB378, HD1	Pacific Community Health & Wellness, Inc.; SPRBs extension to 6/30/08
HB379, HD1	Pacific Saging Center, Inc.; SPRBs extension to 6/30/08

HB380, HD1	Pacific Sports Medicine and Research Center, Inc.; SPRBs extension to 6/30/08
HB381, HD1	Pacific Wellness Center, Inc.; SPRBs extension to 6/30/08
HB382, HD1	Pacific Women's Center, Inc.; SPRBs extension to 6/30/08
HB383, HD1	Wahiawa-Central Oahu Health Center, Inc.; SPRBs extension to 6/30/08
HB384, HD1, SD1	Wahiawa General Hospital, Inc.; SPRBs extension to 6/30/08
HB422, HD2, SD2, CD1	Center for nursing at the University of Hawaii; established
HB512, HD1, SD2, CD2	Executive Office on Aging; transfer to DOH; disclosure of medical records for insurance reimbursement purposes
HB548, HD2, SD1	Anatomical gifts; permanent organ and tissue education fee and the Hawaii organ and tissue education special fund
HB645	The Queen's Health Systems; SPRBs
HB651, HD2, SD1	Informed consent to medical treatments or procedures; update
HB1217, HD1, SD1, CD1	Controlled substances; state law conformity with federal law; dispensing and unlawful manufacturing of controlled substances clarified

SENATE CONCURRENT RESOLUTION(S)

SCR16, SD1, HD1	Hepatitis C, development of strategies to address problems
SCR116, SD1, HD1	Mental health and alcohol and drug abuse treatment; mandatory insurance coverage; sunrise review

HOUSE CONCURRENT RESOLUTION(S)

HCR82, HD1	Dialysis patient services and treatment; continuing partnerships
HCR151, HD1, SD1	Universal health care; interim working group
HCR165, HD1	Kalaupapa Settlement; operations and expenditures; audit

SENATE RESOLUTION(S)

SR42, SD1	Electronic death registration system; pilot project
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SR86, SD1	Crystal methamphetamine; public education campaign on its dangers
SR95, SD1	Pacific health center master plan; support
SR120	Health care self-determination; support
SR123	Medical errors reduction; report

Human Services

SENATE BILL(S)

SB78, SD2, HD1	Dependent elder abuse; civil suits by the State; penalties
SB637, HD2	Hawaii missing children's clearinghouse trust fund; repeal
SB946, HD2, CD1	Caregiver consent to education ("Na Tutu" Bill)
SB1234, SD2, HD1 (Act 69)	Intoxicated persons under age 21; social host liability
SB1286, SD1, HD2, CD1	Housing and Community Development Corporation of Hawaii; transfer to DHS
SB1352, SD1, HD2, CD1	Community care foster family homes; licensing and regulation
SB1353, HD1 (Act 22)	Medicaid; emergency appropriation
SB1423, SD2, HD2, CD1	Commission on Fatherhood established
SB1492, SD1, HD2, CD1	Assisted living facilities; condominium and cooperative housing corporation projects
SB1647, SD2, HD2, CD1	Newsline service for the blind and visually impaired

HOUSE BILL(S)

HB127, HD1, SD1	General assistance; good cause failure to pursue appropriate medical treatment exemption; established
HB133, HD1, SD3, CD1	Safe place for newborns; immunity from prosecution; immunity from liability
HB914, HD2, SD1, CD1	Adult residential care homes; inspections; unannounced visits

SENATE CONCURRENT RESOLUTION(S)

SCR12	Graduated parenting task force
SCR13, SD1	Statewide interagency task force; coordination and expansion of services for young children and families
SCR45, SD1	Hawaii state preschool content standards; adopted
SCR93, SD1	Foster children; continuation of services after closure of the Casey Family Programs' Hawaii offices; ad hoc committee established
SCR130, SD1	Parent-friendly businesses; legislative awards program established

HOUSE CONCURRENT RESOLUTION(S)

HCR62, HD1, SD1	Federal reimbursement for services provided to citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau
HCR85, HD1, SD1	Audit of child protective services system agencies
HCR203, SD1	Medicaid/QUEST; restoration of disproportionate share of hospital payments; improved access to mental health services
HCR208	Head Start program; congressional recognition and support urged

SENATE RESOLUTION(S)

SR36, SD2	Federal reimbursement for services provided to citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau
SR102, SD1	Public assistance allowance formulas; review
SR135, SD1	Public-private partnerships for cost-effective health care services delivery; feasibility

Judiciary and Hawaiian Affairs

SENATE BILL(S)

SB368 (Act 19)	Criminal property damage; definition changed
SB474, SD2, HD1	Auditor; access to confidential information on student records

SB616 (Act 33)	Hate crimes; gender based; term of imprisonment
SB617	Criminal charging procedures task force established under Judicial Council of Hawaii
SB685 (Act 23)	Elections; social security number prohibited in poll book
SB830, SD1, HD3, CD1	Criminal history record checks; uniform standards and procedures; working group continuation
SB933, SD1, HD1, CD1 (Act 68)	Stalking laws; non-consensual contact included
SB1075, SD1, HD1 (Act 76)	Contested case hearings; mediation allowed
SB1107, SD1, HD1 (Act 48)	Offenses against public order; offensively course behavior, covert recording or broadcasting of a person's intimate areas
SB1134, SD1, HD1, CD1	Court fees, administrative costs for civil filings; deposit into judiciary computer system special fund
SB1135, SD1, HD1, CD1	Traffic citations, court fees; deposit into judiciary computer system special fund
SB1139, SD1, HD1 (Act 41)	Family court surcharge fee increased from \$35 to \$50
SB1154, HD1 (Act 42)	Hui `Imi Advisory Council permanently established, membership specified, and duties clarified
SB1156, HD2	Hawaiian registry established in Office of Hawaiian Affairs
SB1267, HD2, CD1 (Act 77)	Tobacco stamp tax enforcement; directory of all tobacco product manufacturers; appointment of agent; certification
SB1274, SD1, HD1, CD1 (Act 64)	Murder and attempted murder; extreme mental or emotional defense
SB1275 (Act 66)	Assault against law enforcement officers; new offense created
SB1324, SD1, HD2, CD1	Medical claim reconciliation panel; alternative dispute resolution process authorized
SB1333, SD1, HD2, CD1	Judicial Salary Commission established
SB1393, SD2, HD1, CD1	Department of Public Safety; study to divide into Department of Corrections and Department of Law Enforcement
SB1410, SD1, HD1	Claims against the University of Hawaii; appropriation

HOUSE BILL(S)

HB297, HD2, SD2, CD1 (Act 63)	Drug nuisance abatement unit established within the Department of Attorney General; \$100,000 appropriation for each of two fiscal years
HB298, HD2, SD2, CD1	Halawa Correctional Facility development to replace Oahu Community Correctional Facility; feasibility and planning study for a private, in-state correctional facility
HB401, HD1 SD1	Office of Elections, Campaign Spending Commission, and Elections Appointment and Review Panel placed under Department of Accounting and General Services; removal of Chief Elections Officer
HB562, SD1 CD1 (Act 62)	Age of consent in sexual assault; data collection by Attorney General; clarification of sex offender registration requirements and procedures
HB564, SD1, CD1 (Act 70)	Offense of promoting a controlled substance; "public parks" added to places where offense occurs
HB652 (Act 3)	Statutory revision measure
HB808, HD1, SD2, CD1	Judiciary Appropriations Act of 2003
HB814 (Act 4)	Traffic citations; prepaid postage requirement deleted
HB815 (Act 5)	Court costs; payment with debit cards allowed
HB857, SD2	Correctional facilities development or expansion of private in-state correctional facility; public comment required to be accepted by governor
HB980, HD1, SD1, CD1	Joint tortfeasor release; settlements
HB1003, HD1, SD2, CD1	Criminal injuries compensation; custody of money for minors awarded compensation; bases for awarding compensation expanded
HB1022 (Act 6)	Expungement of juvenile arrest records; allowed under certain circumstances when matter is not referred
HB1076, HD1, SD1	Mortgage foreclosure appeals; procedures clarified for certain types of orders
HB1111, HD2, SD2, CD1 (Act 58)	Claims against the State; appropriations
HB1116, HD1, SD2 (Act 65)	Domestic violence cases; exemption from court filing fees and court costs; "protection order" defined

HB1154, HD1, SD2, CD1	Unclaimed property trust fund; deposit of proceeds from abandoned property; uses of fund moneys
HB1155, HD1, SD1 (Act 74)	Unclaimed property; public notice requirements for abandoned property by publication
HB1220 (Act 7)	Hawaii Paroling Authority; powers of administrative secretary and designee to issue warrants for arrest of parolees
HB1255, SD2, CD1	Help America Vote Act of 2002; \$50,000 appropriation for State's matching funds
HB1276, HD1 (Act 8)	Publication of proposed constitution amendments; duty of legislative clerks
HB1300, HD2, SD2, CD1	Office of Hawaiian Affairs Appropriations Act of 2003
HB1302 (Act 9)	Office of Hawaiian Affairs; technical statutory amendments to making monetary grants
HB1303, SD1, CD1	Office of Hawaiian Affairs; health benefits trust fund; "State agency" defined to include OHA

SENATE CONCURRENT RESOLUTION(S)

SCR18	USA Patriot Act; congressional repeal of sections limiting or violating rights and liberties urged
SCR23, SD1	Hawaii State Commission on the Status of Women; support
SCR54	Requests formation of coalition to prepare for needs of Hawaiians under native Hawaiian federal recognition
SCR86	Three strikes law; task force to study
SCR155, SD1	Settlement of native Hawaiian individual claims; alternative dispute resolution process urged

HOUSE CONCURRENT RESOLUTION(S)

HCR96	Felix consent decree; joint Senate-House investigative committee; continuation
HCR119, HD1	Department of Hawaiian Home Lands; investigation of sale of leases between lessees
HCR198, HD1	Preservation of native Hawaiian language; expressing legislative support

SENATE RESOLUTION(S)

SR8	USA Patriot Act; congressional repeal of sections limiting or violating rights and liberties urged
SR13, SD1	Hawaii State Commission on the Status of Women; support
SR34	Native Hawaiian federal recognition; formation of coalition to prepare for needs of Hawaiians
SR59	Anahola Homesteaders Council; support for development of Project Faith multi-purpose community center
SR60	Three strikes law; task force to study
SR71	Narcotics Division; audit
SR78	Attorney disciplinary action; public disclosure
SR89, SD1	Kalawahine and Kewalo-Uko lands; audit of DHHL and DLNR past processes and procedures
SR103, SD1	Settlement of native Hawaiian individual claims; alternative dispute resolution process urged

Labor**SENATE BILL(S)**

SB205, SD3, HD2, CD1	Paid leave for education of children; public employees
SB363, HD1 (Act 40)	Civil service experimental projects; county boards of water supply
SB665, SD1, HD2, CD1	Prepaid health care advisory council membership
SB687, SD1, HD1, CD1	Public employees; tax deferred special pay plan; military leave
SB768, SD1, HD2, CD1	Collective bargaining; reinstatement of binding arbitration
SB773, HD2	Unemployment insurance; alternative base period
SB787 (Act 24)	Disaster leave; state and county employees
SB789, SD1, HD2, CD1	Public employee health benefits; employer contributions
SB931, SD2, HD2, CD1 (Act 60)	Victims leave; established

SB1309, SD2, HD2, CD1	ERS; retirement benefits calculation; readjusted to pre-2002 formula; administrator's salary range
SB1312, SD1, HD2, CD1	ERS; interest on pension payment delay
SB1332, SD2, HD2, CD1	Executive salary commission; established
SB1373, SD1, HD1	Staffing for federally funded programs; civil service exemption
SB1426, SD1 (Vetoed 4/30/03)	Substitute teachers, DOE; separate collective bargaining unit
SB1438, HD1, CD1	Collective bargaining cost items; unit 1; appropriation
SB1439, HD1, CD1	Collective bargaining cost items; units (2), (3), (4), (6), (8), and (13); appropriation
SB1440, HD1, CD1	Collective bargaining cost items; unit (5); appropriation
SB1441, HD1, CD1	Collective bargaining cost items; unit (7); appropriation
SB1442, HD1, CD1	Collective bargaining cost items; unit (10); appropriation
SB1443, HD1, CD1	Collective bargaining cost items; unit (11); appropriation
SB1444, HD1, CD1	Collective bargaining cost items; unit (9); appropriation

HOUSE BILL(S)

HB29, HD1, SD1, CD1	Meal breaks required; exceptions
HB130, HD1, SD2, CD1	ERS benefit option election; spousal notice
HB287, HD3, SD2, CD1	Public employees and officials; termination; felony conviction
HB290, HD2, SD1, CD1	Unemployment Insurance; additional state benefits
HB317, HD2, SD2, CD1	ERS; University of Hawaii employees; aggregation of multiple appointments
HB389, HD2 (Act 44)	Family leave for public employees
HB507, HD3, SD1, CD1	ERS; emergency medical technicians; enhanced retirement benefits
HB531, SD1, CD1	Excluded employees; compensation and benefits packages
HB731, HD1, SD1	Workers' compensation; occupational therapists and

	therapy assistants, massage therapists
HB968, HD1, SD1, CD1	Unemployment insurance; weekly benefit
HB1013, HD3, SD2	Workers' compensation; examination for determination of permanent impairment
HB1157, SD2, CD1	ERS; membership; employees excluded from Social Security coverage
HB1198, HD2, SD2 (Act 61)	Child labor law; hours of work; adult entertainment

HOUSE CONCURRENT RESOLUTION(S)

HCR43	Prepaid Health Care Act; options for redesigning "A" status plans; study requested
HCR92	Prepaid Health Care Act; options for providing medical savings accounts and high deductible plans; study requested
HCR94, HD1	Civil Service Modernization Act; reports on exempt employees
HCR95	ERS; deferred retirement option plan for firefighters and police officers; study and recommendations
HCR97, HD1	ERS; hybrid retirement plan; feasibility study
HCR109	ERS; review and determination on whether investments are made with companies based in countries that support terrorism
HCR182, HD1	ERS; county refuse collection workers

Science, Arts and Technology

SENATE BILL(S)

SB1334, HD1	State's Internet portal; oversight by the Access Hawaii Committee to June 30, 2005; extended
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HOUSE CONCURRENT RESOLUTION(S)

HCR89	Ralph Bunche Centenary Celebration; support
HCR219, HD1	Restoration and Maintenance of the Sanju Pagoda in Nuuanu Valley; support

SENATE RESOLUTION(S)

SR54	Ralph Bunche Centenary Celebration; support
SR76, SD1	Adoption of a Statewide Policy regarding the Use of Open Source Software within State Agencies
SR112, SD1	Establishment of a "State Capitol Mural Art By Students" Project in the State Capitol

Tourism**SENATE BILL(S)**

SB38, HD2, CD1	Hawaii Tourism Authority; hiring of attorneys
SB41, HD1, CD1	Hawaii Tourism Authority; disclosure of public contracts
SB377, SD1, HD2, CD1	Ko Olina Resort and Marina and Makaha Resort tax credit
SB1040, SD1, HD1, CD1	Transient accommodations tax; deposit of Hawaii statewide trail and access program funds into special land and development fund.
SB1460, SD1, HD2, CD1	Hawaii Tourism Authority contracts; certain provisions to be included; annual report to legislature
SB1462, HD2, CD2	Hawaii Tourism Authority; Hawaii tourism registry and sports coordinator position established; executive director compensation; annual audit

HOUSE BILL(S)

HB662, HD2, SD2	Hawaii Sports Hall of Fame designated as State of Hawaii museum of sports history in the Islands
HB1400, HD1, SD2, CD2	Hotel construction and remodeling tax credit; change to 8% until 7/1/06, change to 4% on 7/1/06; commercial property included

SENATE RESOLUTION(S)

SR24	Hawaii filmmakers and locally made films; support
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Transportation, Military Affairs and Government Operations

SENATE BILL(S)

SB42, SD1, HD1 (Act 54)	Watercraft; mandatory use of EPIRB or VHF-FM radio
SB44, SD2, HD2, CD1	Airport concessionaires; economic relief
SB51 (Act 18)	Commercial driver's licenses; insulin users
SB88, SD1, HD1 (Act 45)	Removal of vehicles from State; military personnel
SB317, SD2, HD1, CD1	Fiftieth anniversary commemoration of the Korean War; commission; appropriation
SB345, SD1, HD2 (Act 67)	Motor vehicle industry licensing act; dealers
SB460 (Vetoed 4/8/03)	Dune buggies; special interest vehicle registration requirements
SB464, SD2, HD2, CD1	Fixed rail system; monorail; action plan
SB528, SD2, HD1, CD1	County lands and improvements; transfer to State
SB562 (Act 21)	Vehicle leases; terminable rental adjustment clauses; not a sale or security interest
SB975, HD1, CD1	Skateboard parks; limited liability for state, counties, and volunteers
SB1050, SD2, HD2, CD1	Veterans' rights and benefits; Filipino-American World War II veterans
SB1051, HD2, CD1	Traffic code; segways
SB1201, SD2, HD1, CD1	Motor vehicle franchises
SB1261, HD2 (Act 51)	Goods and services; purchase by procurement card
SB1262, SD1, HD1, CD1 (Act 52)	Procurement; pre-bid conference; procurement institute; professional services; contractor compliance with state laws
SB1405, HD1 (Act 46)	Commercial driver licensing; applicant domicile
SB1406 (Act 15)	Commercial driver's licenses; identification numbers
SB1407 (Act 32)	Commercial driver licensing; reciprocity

HOUSE BILL(S)

HB58 (Act 26)	Removal of motor vehicles from state; motor vehicle rental companies
HB285, HD1, SD2	Administrative procedure; rulemaking
HB324, HD1, SD1, CD1	Driver licensing; persons ineligible for a social security number
HB373, HD2, SD1, CD1	Political speech; tenants; sign posting
HB659 (Act 28)	Legislative journals
HB772 (Act 38)	County bond issuance
HB773 (Act 39)	County bond issuance
HB754 (Act 37)	Elections by mail
HB807, HD2, SD2, CD1 (Act 71)	Driving under the influence of an intoxicant
HB818, HD1 (Act 31)	Administrative driver's license revocation; law enforcement mileage fees
HB993, SD1, CD1	Reconstructed vehicles; application of law to counties
HB1010, HD1, SD2, CD1 (Act 72)	Intoxicants; blood alcohol content testing
HB1077, HD1, SD1 (Act 2)	Emergency appropriations; governor; lieutenant governor
HB1230, HD1, SD2, CD1	Airports and harbors security measures; capital improvement appropriations; passenger facility charge special fund establishment
HB1453, HD1 (Act 29)	Residential leasehold conversion; residential only
HB1572, HD3 (Act 30)	Parking for persons with disabilities
HB1607, HD2, SD1	Ocean safety vehicles; emergency designation

SENATE CONCURRENT RESOLUTION(S)

SCR5	Military affairs council
SCR44	Filipino-American World War II veterans; veterans benefits
SCR49, SD1	Office of International Affairs; study
SCR105, SD1	Military residential communities initiative; local contractors

SCR176, SD1

Military base closures

HOUSE CONCURRENT RESOLUTION(S)

HCR17, HD1

Ilocos Norte, Republic of the Philippines; state-province relationship with Hawaii

HCR26, HD1

Internment of civilians during World War II; education of congressional members

HCR28

Millennium challenge account; congressional funding urged

HCR51

Homeland security; Pacific Oceanic Administrative Region

HCR52, HD1

Sister State-prefecture relationship; Ehime Prefecture, Japan

HCR54

Urban search and rescue team

HCR63, HD1

Oahu Metropolitan Planning Organization; regional transportation plan; second Waianae Access Road

HCR76

Veterans benefits; Filipino-American veterans of World War II; congressional action

HCR77

Veterans benefits; Filipino-American veterans of World War II; congressional action

HCR120

Wireless enhanced 911 interim working group

HCR188

Bus flyer stops; feasibility study

HCR197, HD1

Waianae Coast; multi-use path; feasibility study

SENATE RESOLUTION(S)

SR16, SD1

Local airlines; collaboration on flight scheduling

SR17

Urban search and rescue team

SR22

Traffic safety investigation; Hawaii County

SR26, SD1

Photo red light enforcement pilot project; feasibility study

SR28, SD1

Office of International Affairs; study

SR68

Traffic advisory task force

SR69

Veterans benefits; Filipino-American veterans of World War II; congressional action

SR70	Veterans benefits; Filipino-American veterans of World War II; congressional action
SR73, SD1	Military residential communities initiative; local contractors
SR75, SD1	Capitol pools; algae growth; study
SR77, SD1	Fixed rail system; economic feasibility study
SR96, SD2	Wireless enhanced 911 interim working group
SR124, SD1	Military base closures

Water, Land, and Agriculture

SENATE BILL(S)

SB254, SD2, HD1, CD1	Puukapu Homestead Bridge demolition and replacement
SB255, SD2, HD1, CD1	Agricultural lands; private restrictions not allowed
SB534, SD2, HD1, CD1	Agricultural research and development; appropriation
SB538, SD1, HD1 (Act 47)	Agribusiness Development Corporation; public lands
SB540, SD1, HD2, CD1	Hawaii Farm Bureau Federation; pineapple and sugar research; appropriation
SB550, SD1 (Act 20)	Agricultural theft
SB544 (Act 10)	Brown tree snakes; four live, sterile tree snake allowed for research and training by the DOA
SB1034, SD1, HD2, CD1	Transfer of non-agricultural park lease lands to DOA from the DLNR
SB1255, SD2, HD1 (Act 49)	Food security, product traceability, seed purity; agricultural certifications and audits
SB1256 (Act 11)	State agricultural water use and development plan; time extension
SB1258, SD1, HD1, CD1	Agribusiness Development Corporation; current selection process for the board retained
SB1260, SD1 (Act 12)	Microorganism importation; bioterrorism and health emergencies
SB1281, SD1, HD1	High Technology Development Corporation; control of

	HTDC lands given to HTDC
SB1403, HD1, CD1	Maritime-related uses; greater flexibility in leasing DOT's harbor lands
SB1415 (Act 16)	Penalties for violations within the conservation district; clarification
SB1496, HD1, CD1	SPRBs; Hawaii Gold Cacao Tree, Inc.; lapsing date extended
SB1594, HD1	Water Commission; Hawaiian cultural practitioner member

HOUSE BILL(S)

HB83, HD1 (Act 27)	Land exchange; Aloha Council Boy Scouts of America and the State
HB192, HD1, SD1, CD1 (Act 73)	Accreted lands; definition; State and certain private property owners allowed to file accretion claims
HB293, HD1, SD2, CD1	Farmers' market feasibility study; appropriation
HB426, HD1, SD2, CD1	Public lands; reissuance of certain long-term Kauai leases
HB1212, HD1, SD1 (Act 75)	Land exchange disapprovals; amends the BLNR process
HB1214, HD2, SD2, CD1	Public land liability; warning signs on improved public lands; no duty to warn of dangerous natural conditions on unimproved lands
HB1285, HD1, SD1, CD1	Native Hawaiian historic sites; extends penalties for damage of sites on private land
HB1509, HD2, SD2, CD1 (Act 59)	South Kona wilderness area; established
HB1613, HD2, SD1, CD1	North Kohala; appropriation to preserve a cluster of historical sites

SENATE CONCURRENT RESOLUTION(S)

SCR153, SD1	Investigation of State and counties' land use policies for solid waste management programs
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HOUSE CONCURRENT RESOLUTION(S)

HCR68, HD1	BLNR; Keehi Lagoon; submerged lands; master plan development
HCR157, HD1	Agriculture Working Group to address the mandates of article XI, section 3 of the Hawaii Constitution; efforts recognized
HCR216	Chocolate; diversified agriculture; support
HCR223, HD1	Public leases; Kauai Beachfront Hotel, LLC

SENATE RESOLUTION(S)

SR142	Ahupua`a preservation
SR143	Windward Ahupua`a Alliance; KG&HTS project

Ways and Means

SENATE BILL(S)

SB582, HD1, CD1	General obligation bonds; authorization of issuance
SB585, SD1, HD1, CD1 (Act 57)	Health and human services; emergency appropriation; children's health programs
SB1305, SD1, HD1, CD1	Emergency and budget reserve fund; transfers to Department of Health; Appropriation for Hawaii Rx program
SB1311, SD1, HD1	Special funds; central services and pro rata administrative expenses; exemption repealed for certain funds
SB1394, SD2, HD1	Hawaii income tax laws; conformity with the Internal Revenue Code
SB1395, SD1, HD1, CD1	Obsolete tax laws; amendment or repeal
SB1396 (Act 14)	Estimated tax payments; Tax return filing extensions
SB1397, SD1, HD2	Multi-state Streamlined Sales and Use Tax Agreement; State participation authorized
SB1400, SD1, HD1	Delinquent taxes; authorization to waive penalty and interest and hire tax investigators

HOUSE BILL(S)

HB1, HD1 (Act 1)	Legislative Budget
HB200, HD1, SD1, CD1	State Budget
HB282, HD2, SD1, CD1	Auditor, financial audits; audit revolving fund established
HB1152, HD1, SD1, CD2	Special and revolving funds; repeals and transfers to general fund; other housekeeping amendments
HB1307, HD1, SD1 (Act 34)	Office of Hawaiian Affairs; ceded land payments

